



Enriching lives through innovation

# Investor Day The New Huntsman

May 23, 2018

# General Disclosure

## Forward Looking Statements

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, business trends and other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts,” or future or conditional verbs, such as “will,” “should,” “could” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management’s examination of historical operating trends and data, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will be achieved. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as required by applicable laws.

The forward-looking statements in this presentation are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company’s operations, markets, products, services, prices and other factors as discussed in the Huntsman companies’ filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of Huntsman’s operations, the ability to implement cost reductions and manufacturing optimization improvements in Huntsman businesses, and other financial, economic, competitive, environmental, political, legal, regulatory and technological factors. Any forward-looking statement should be considered in light of the risks set forth under the caption “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date made and are expressly qualified in their entirety by the cautionary statements included in this presentation. We undertake no obligation to update or revise forward-looking statements which may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

## Supplemental Information

This presentation contains financial measures that are not in accordance with generally accepted accounting principles in the U.S. (“GAAP”), including EBITDA, adjusted EBITDA, adjusted EBITDA from discontinued operations, normalized EBITDA, adjusted net income (loss), adjusted diluted income (loss) per share and net debt. For more information on the non-GAAP financial measures used by the Company and referenced in this presentation, including definitions and reconciliations with the most directly comparable GAAP financial measures, as well as prior period information, please refer to the applicable earning conference call presentations available on the “Events & Presentations” page of our website at [ir.huntsman.com](http://ir.huntsman.com).

Our financial statements and tax returns are prepared with certain components of inventory stated on the LIFO method for inventory valuation, and supplemental information is not intended to replace the primary published financial statements which include these inventories on a LIFO basis. Please refer to the primary published financial statements in our most recently filed Form 10-K and Forms 10-Q.

# Agenda

Investor Day Presentations			
Start	Time	Event	Presenter
7:30 AM	1:00	Continental Breakfast	Management Team
8:30 AM	0:25	Company Overview	Peter Huntsman <i>Chairman, President &amp; CEO</i>
8:55 AM	0:45	Polyurethanes*	Tony Hankins <i>CEO Asia Pacific &amp; Division President</i>
9:40 AM	0:30	Advanced Materials*	Scott Wright <i>Division President</i>
10:10 AM	0:15	Break	
10:25 AM	0:30	Performance Products*	Monte Edlund <i>Division President</i>
10:55 AM	0:20	Textile Effects*	Rohit Aggrawal <i>Division President</i>
11:15 AM	0:15	Financial Overview	Sean Douglas <i>Executive Vice President &amp; CFO</i>
11:30 AM		Q&A Lunch	Peter Huntsman <i>Chairman, President &amp; CEO</i> Sean Douglas <i>Executive Vice President &amp; CFO</i>

\*includes ~10 minutes Q&A



Enriching lives through innovation

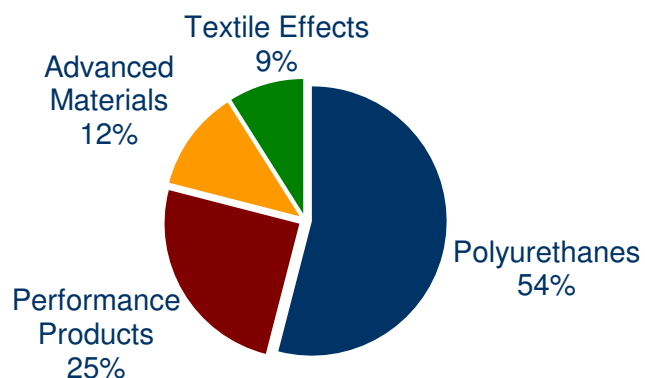
# Company Overview

Peter Huntsman

*Chairman, President and Chief Executive Officer*

# Portfolio Composition<sup>(1)</sup>

## Revenue<sup>(2)</sup>

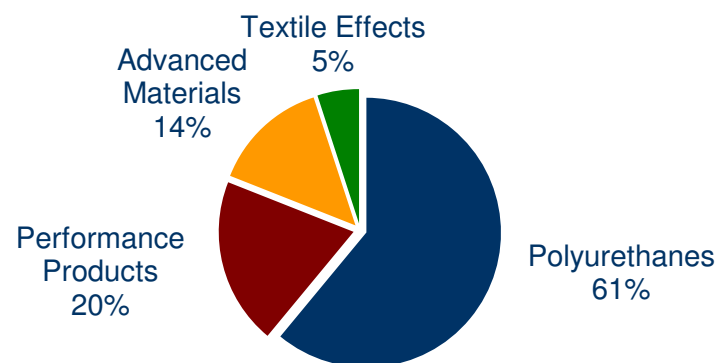


## 1Q18 LTM

Revenues  
**\$8.7**  
billion

Adjusted EBITDA  
**\$1.4**  
billion

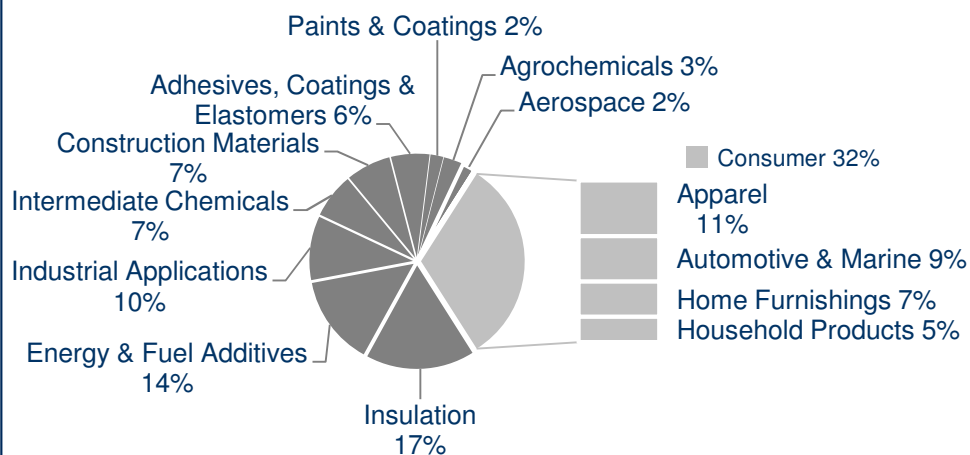
## Adjusted EBITDA<sup>(2)(3)</sup>



## End Markets

2017 Revenues

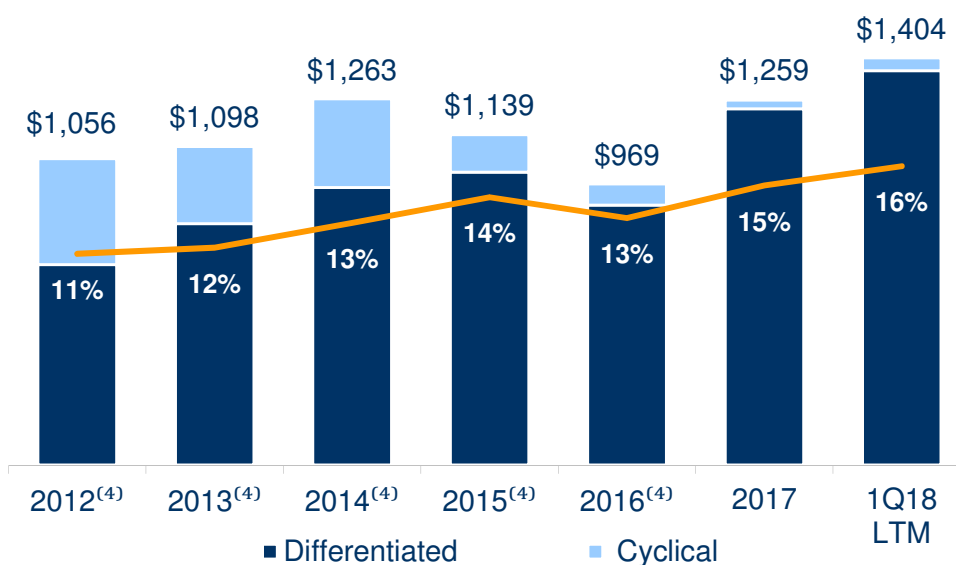
Source: Management estimates



## Adjusted EBITDA<sup>(3)</sup>

\$ in millions

Adj. EBITDA Margin



(1) Pro forma to exclude the Pigments & Additives business, which is treated as discontinued operations after the Venator IPO on August 8, 2017

(2) Segment allocation is before Corporate and other unallocated items

(3) See Appendix for a reconciliation

(4) Excludes European surfactants business, which was sold to Innospec on December 30, 2016

# What We've Accomplished

Management Has Delivered on Strategic Objectives from 2016 Investor Day (March 2, 2016)

## Objectives

### Improve free cash flow generation for deleveraging

- 2016 improvement of \$350mm
- Ongoing cash flow improvement
- >\$500mm debt reduction over next 3 years

### Separate TiO2 business

- Actively pursue a separation through a spinoff to shareholders or other strategic transaction
- Preserve ~\$9/share upside for HUN stockholders

### Grow downstream differentiated businesses

- ~65% of 2016 capital expenditures
- >10% EBITDA CAGR 2015 to 2017F

## Delivery

### Over \$1.2 billion free cash flow generated

- \$656 million in 2016
- \$594 million in 2017

### Over \$2.6 billion debt repaid

- ~\$900 million from free cash flow and other
- ~\$1.7 billion from VNTR proceeds

### Completed Venator IPO

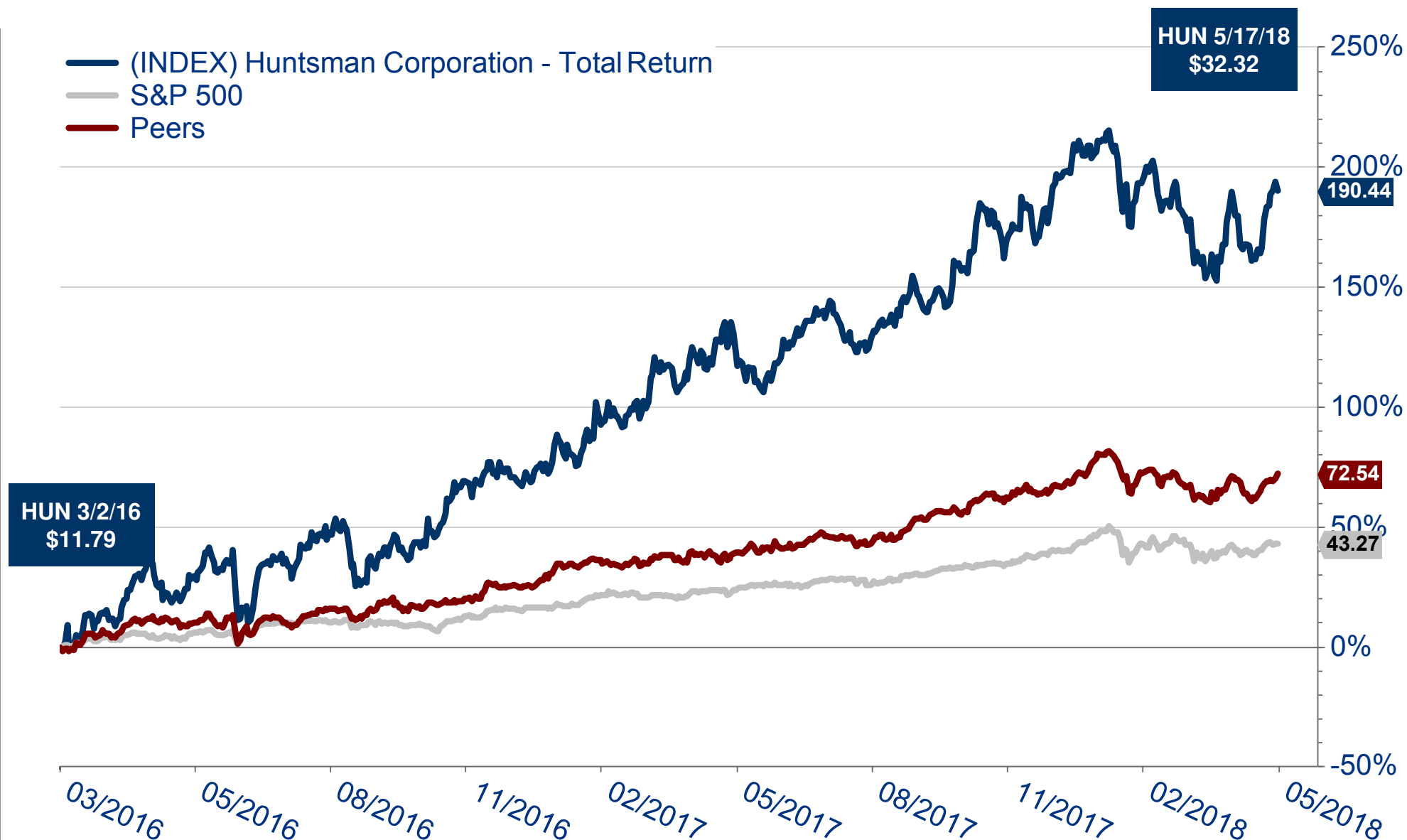
- Initial net proceeds of ~\$1.2 billion
- Additional net proceeds of ~\$0.5 billion
- Expected orderly sell-down of remaining ~53%
- Preserving ~\$10 / share for Huntsman stockholders

### ~75% of portfolio with >15% margins

- 30% EBITDA growth in 2017
- >10% CAGR in downstream EBITDA 2015 to 2017

# Robust Total Shareholder Return

Huntsman Performance vs. Primary Peers and S&P Since 2016 Investor Day



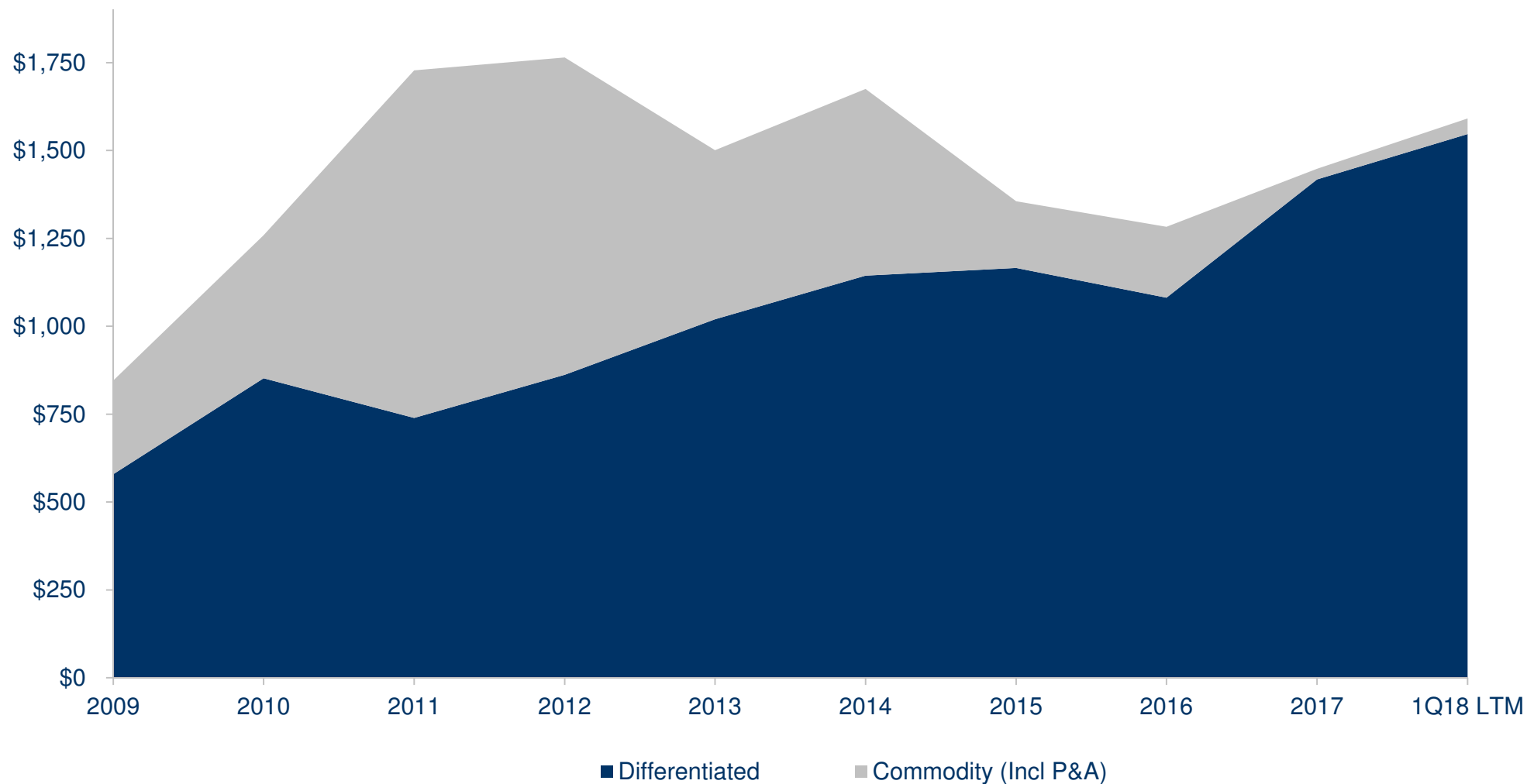
Source: FactSet

Peers include Eastman, Celanese, Lanxess, Ashland, Evonik, Clariant, HB Fuller, Cabot, Hexcel and Covestro

As of: 17-May-2018

# Huntsman Portfolio Transformed

## Adjusted EBITDA History<sup>(1)(2)</sup>



(1) Pro forma to include the Rockwood business acquired in 2014 and to remove the December 30, 2016 sales of the European surfactants business to Innospec

(2) Commodity includes Pigments & Additives, MTBE and ethylene.. P&A excluded beginning in 3Q17.



# Simple Strategy for Significant Value Creation Through 2020

## Downstream EBITDA Growth

- Existing core business will grow at well above GDP
- EBITDA expected to grow at high single digits
- EBITDA margin expected to expand to high teens through downstream strategy



## Investment Grade Balance Sheet

- Maintain Investment Grade profile and secure Investment Grade rating
- Monetize remaining Venator shares
- Generate >\$1.7 billion of free cash flow



## Capital Allocation

- Maintain competitive dividend
- Invest up to \$2.2 billion in downstream growth through bolt-on acquisitions and additional growth capital
- Up to \$1.0 billion of share repurchases supported by Venator monetization and free cash flow

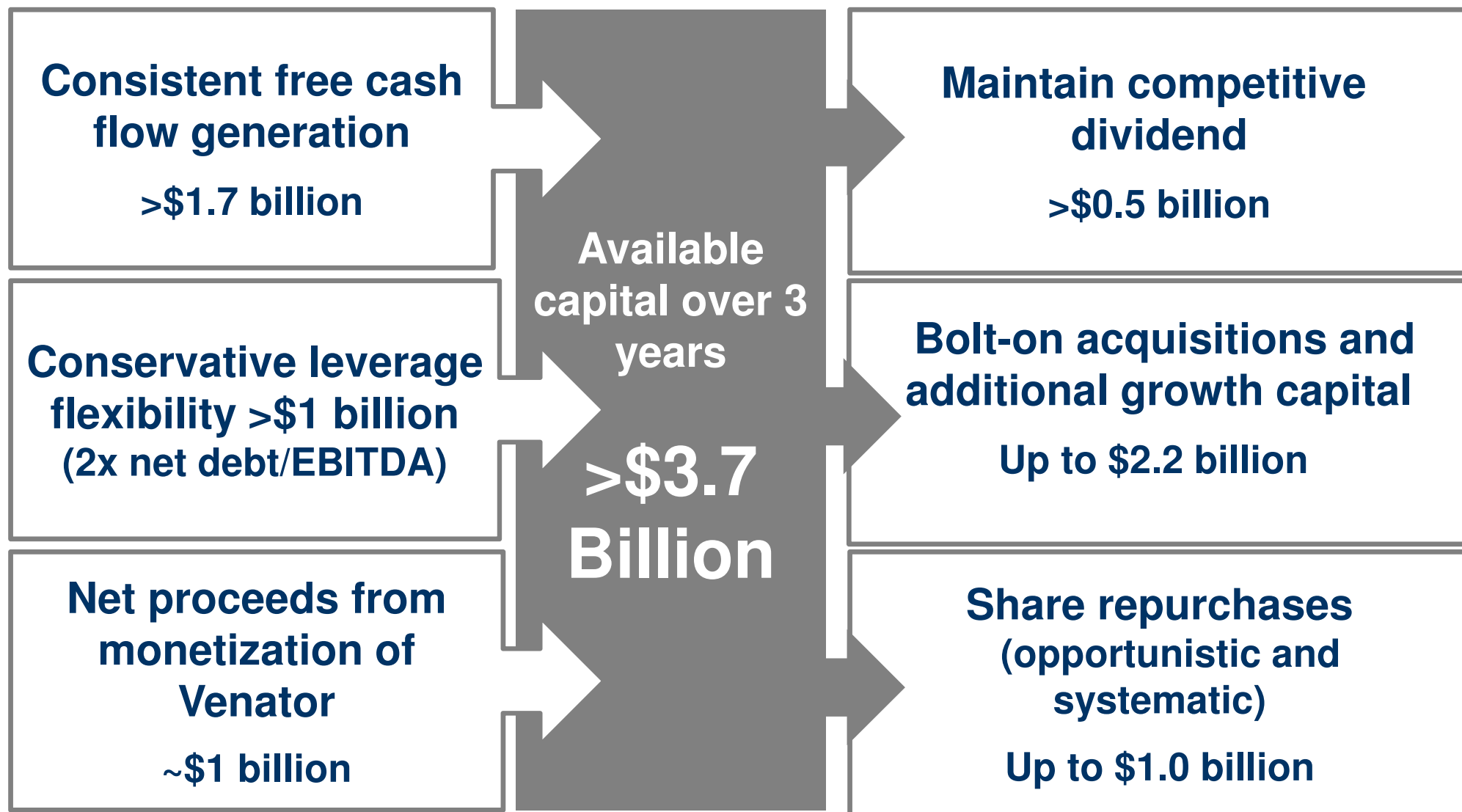


## Value Creation

- Potential value creation of >\$27/share

# Balanced Capital Allocation Strategy

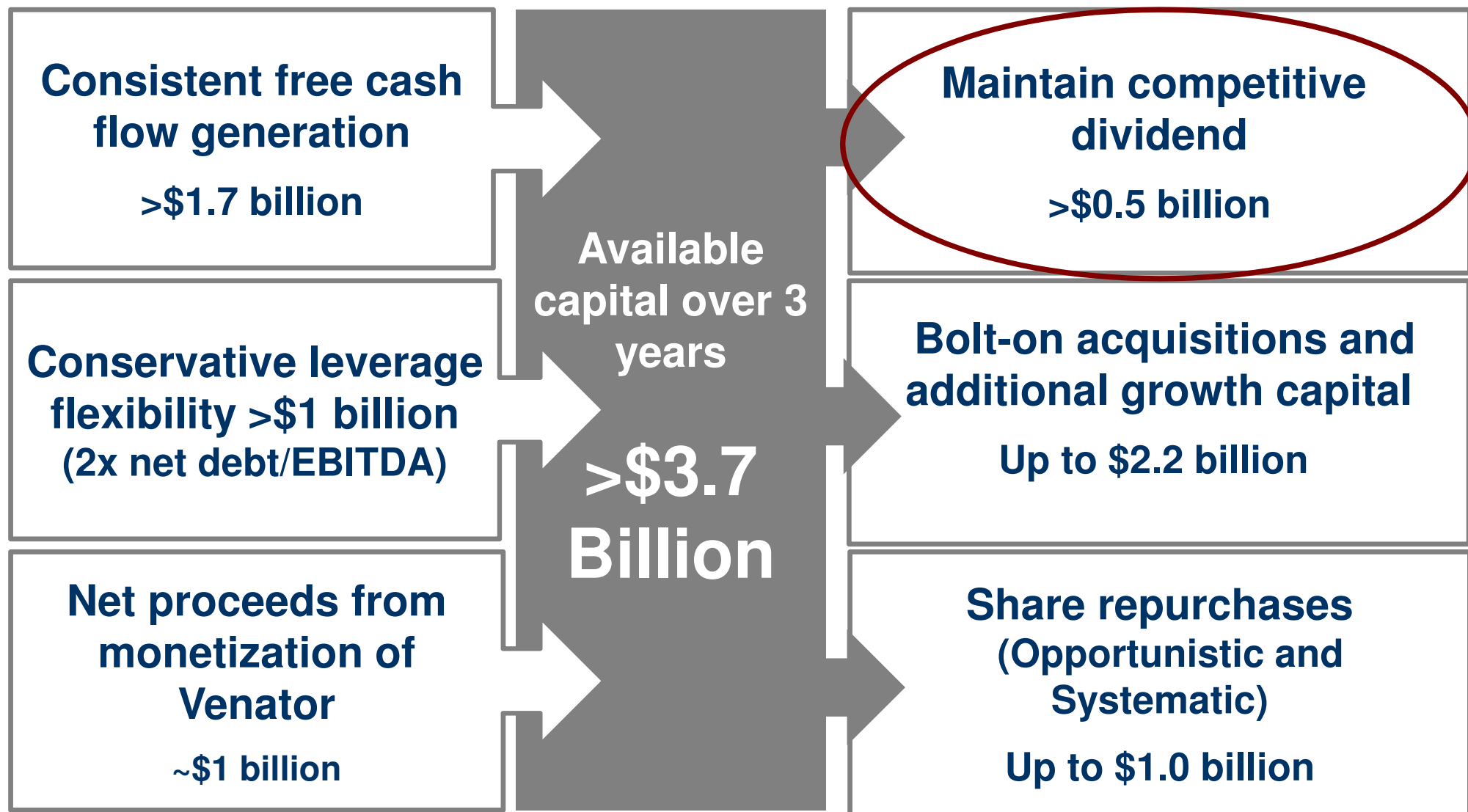
2018 - 2020



Investment Grade Profile

# Balanced Capital Allocation Strategy

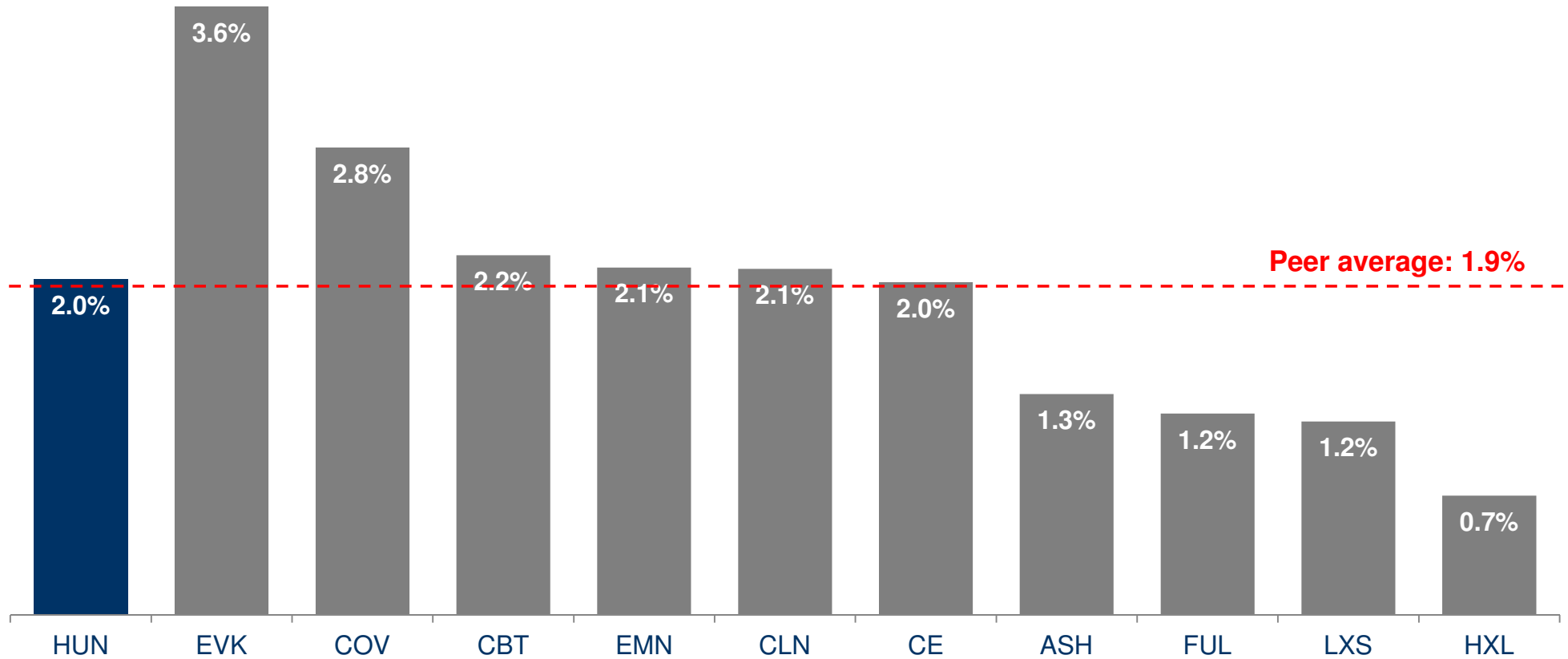
2018 - 2020



**Investment Grade Profile**

# Maintain Competitive Dividend

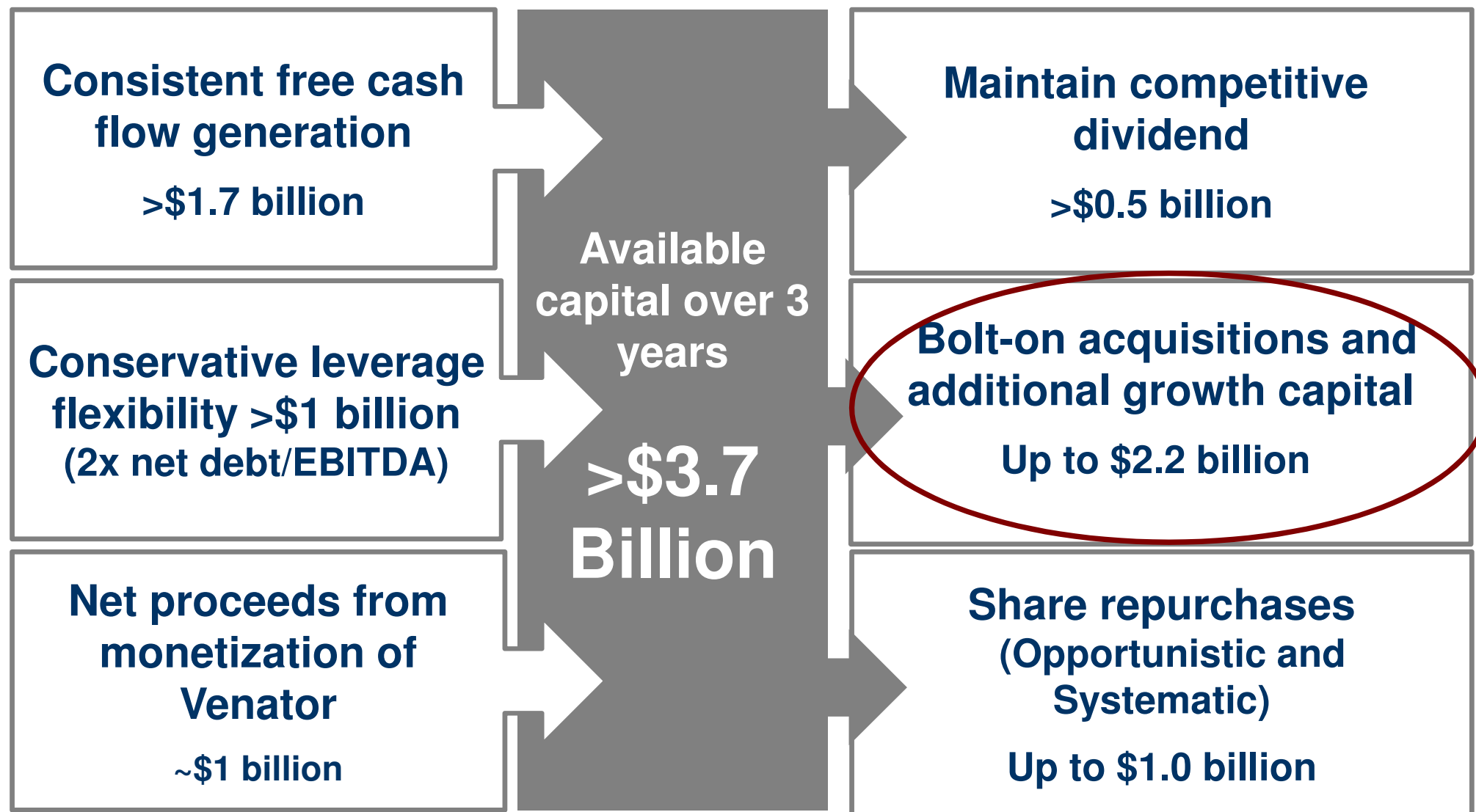
Current Dividend Yield



Source: FactSet

# Balanced Capital Allocation Strategy

2018 - 2020



**Investment Grade Profile**

# Downstream Bolt-On Strategy

Global Scalability

Significant Synergies

> Mid-Teen EBITDA Margin

Strong Cash Flow and Teen+ IRR

Technology & Innovation

## Focus on bolt-on opportunities meeting compelling strategic criteria:

- Margin expansion through vertically integrating downstream chemistries and/or commercial pull through
- Consistent high growth through downstream product substitution
- Less utilization-dependence, more stable margins and lower capital intensity
- Driving further innovation to provide solutions to customers
- Opportunities to capitalize on existing global footprint for immediate scalability
- Consistent strong free cash flow generation

### Case Study: Acquisition of Demilec



Pull-through of ~50mm lbs. of polymeric MDI

Pro forma integrated EBITDA margin of ~25%

High growth end markets

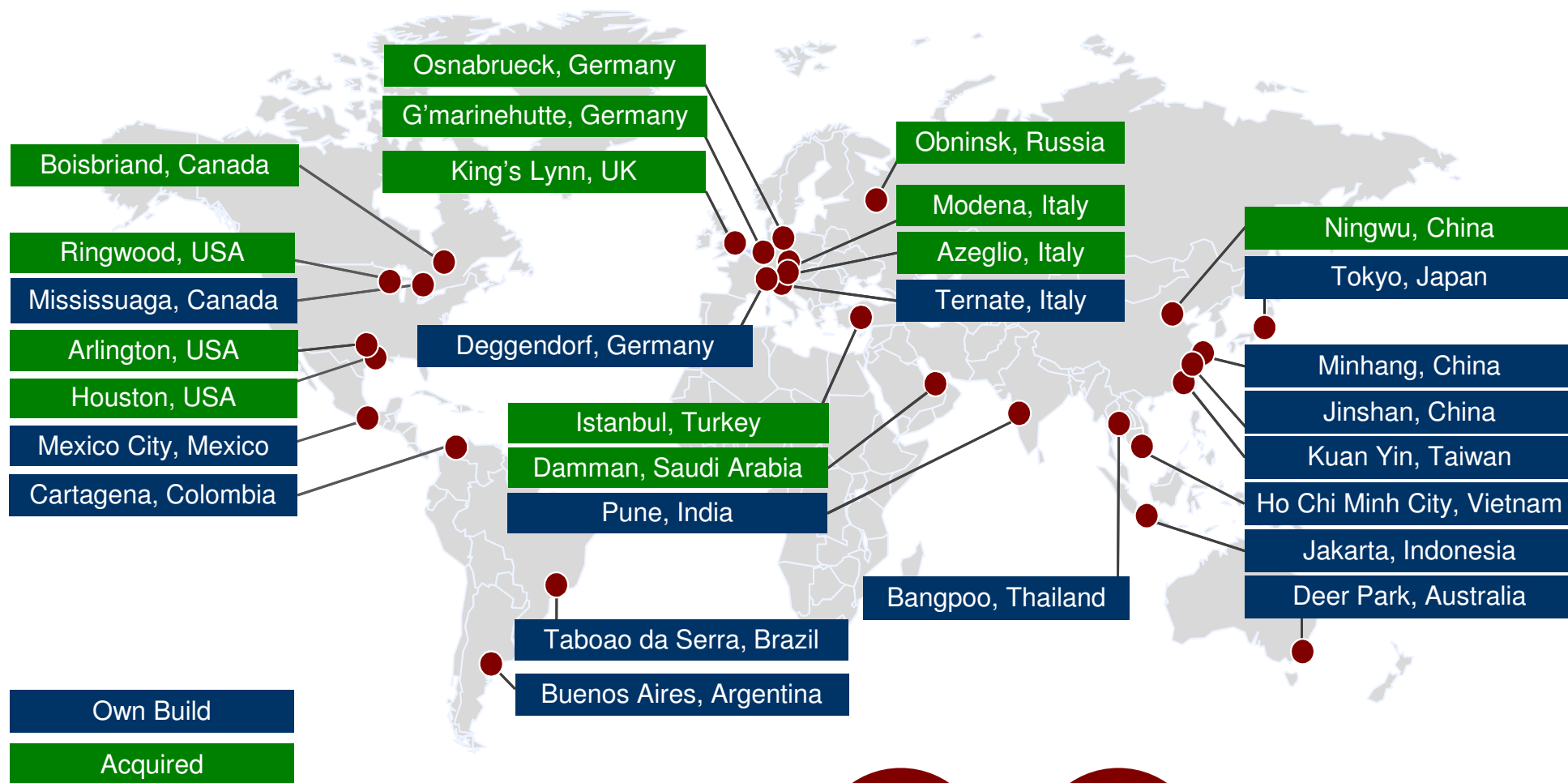
Scalable geographic platform

Unique closed cell technology

High teen+ IRR

# Downstream Footprint

## Significant Expansion Program



### New investments under construction

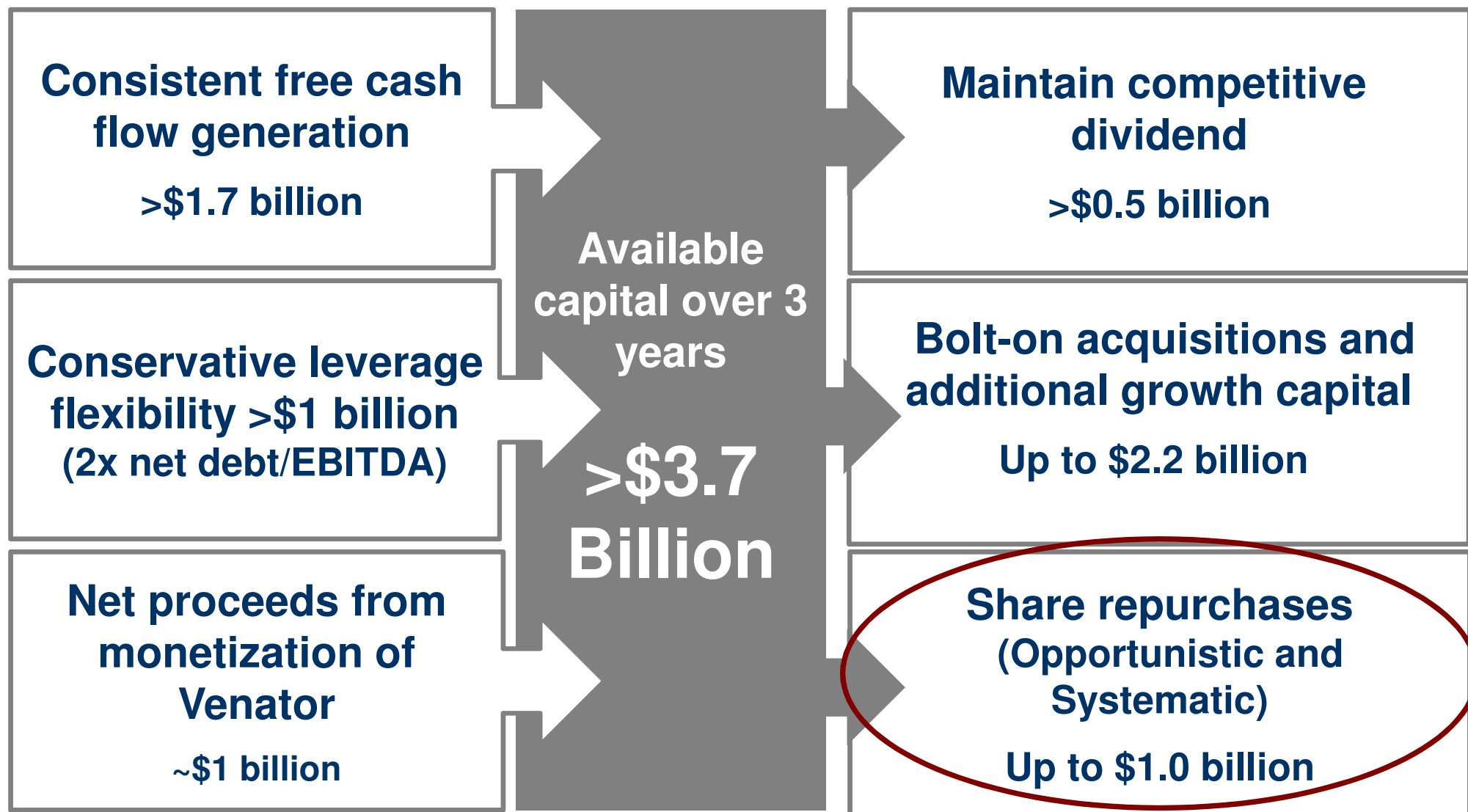
- New System House in Dubai
- New System House in North China
- System House Expansion in Taiwan

**3x**  
GDP Growth

**>20%**  
EBITDA  
Margins

# Balanced Capital Allocation Strategy

2018 - 2020



Investment Grade Profile



# Considerations for Share Repurchases

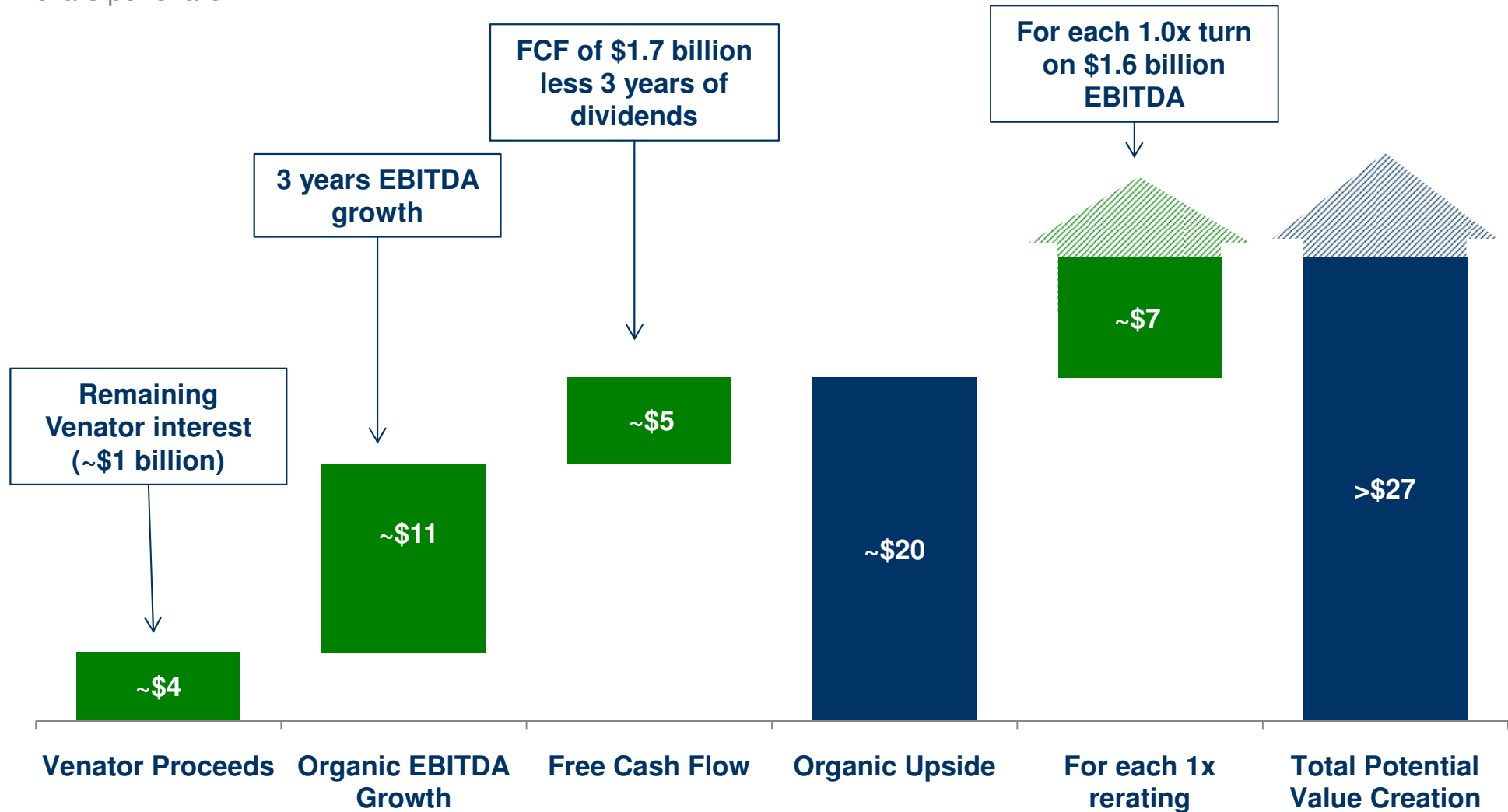
Multi-Year Board Authorization for up to \$1 Billion (~13% of Current Market Cap)

**Repurchases will be both opportunistic and systematic dependent on:**

- Global economic factors
- Dislocation of multiple from peers
- Availability of capital (and alternative uses)
- Sale of Venator shares
- Open and closed trading windows

# Significant Value Creation Upside

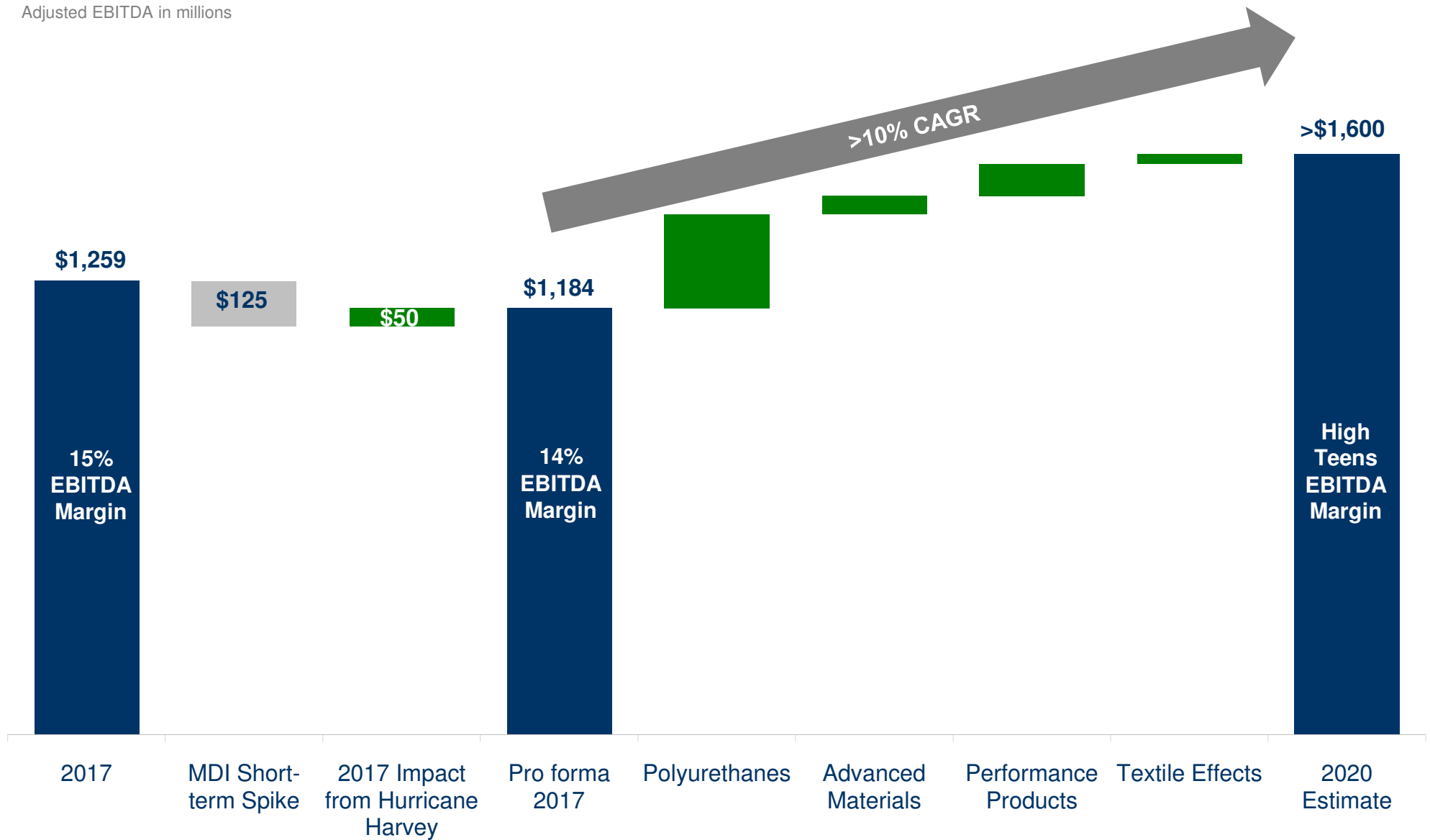
Dollars per share



**>\$27 per Share in Potential Value Creation**

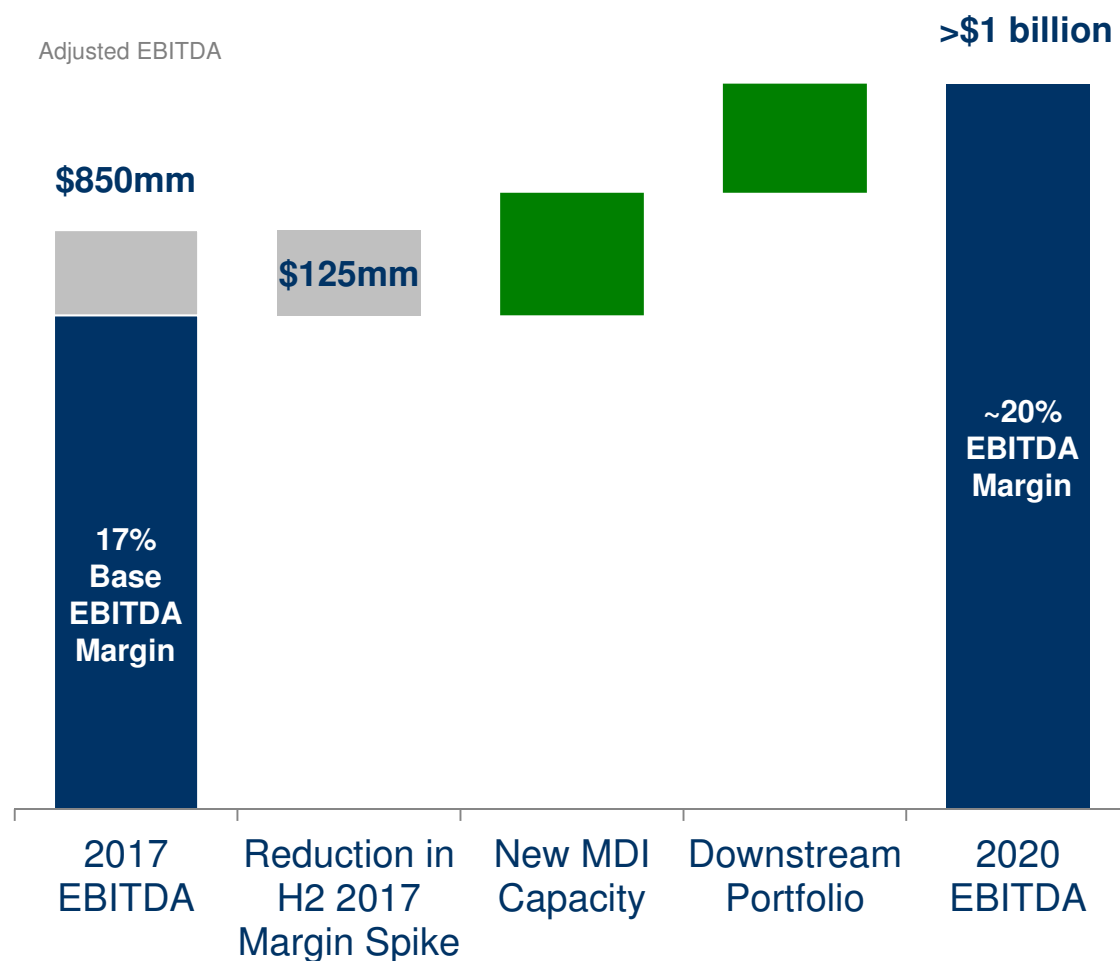
# 2020 Earnings Target Bridge

Adjusted EBITDA in millions



# Polyurethanes

## Bridging 2017 to 2020E EBITDA



■ Short-term Spike in MDI Margins (H2 2017)

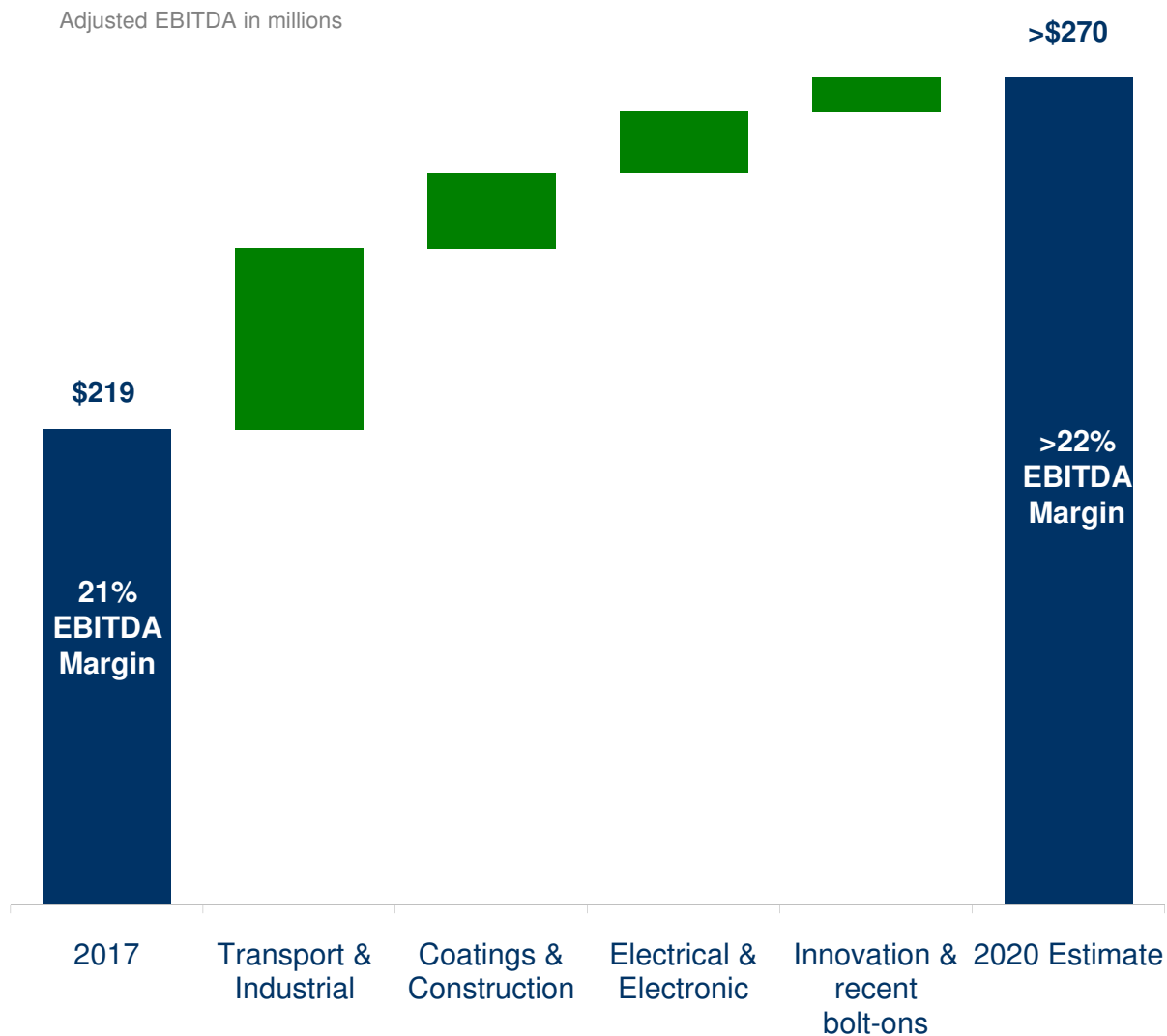
### >10% EBITDA CAGR on base EBITDA

- Continued focus on downstream growth aligned with macro trends – 2x GDP volume growth in MDI
- Assumes no remaining MDI short-term margin spikes
- Assumes no new M&A
- Assumes no upside from MTBE
- 2020 outlook includes a major PO/MTBE turnaround

# Advanced Materials

## Bridging 2017 to 2020E EBITDA

Adjusted EBITDA in millions



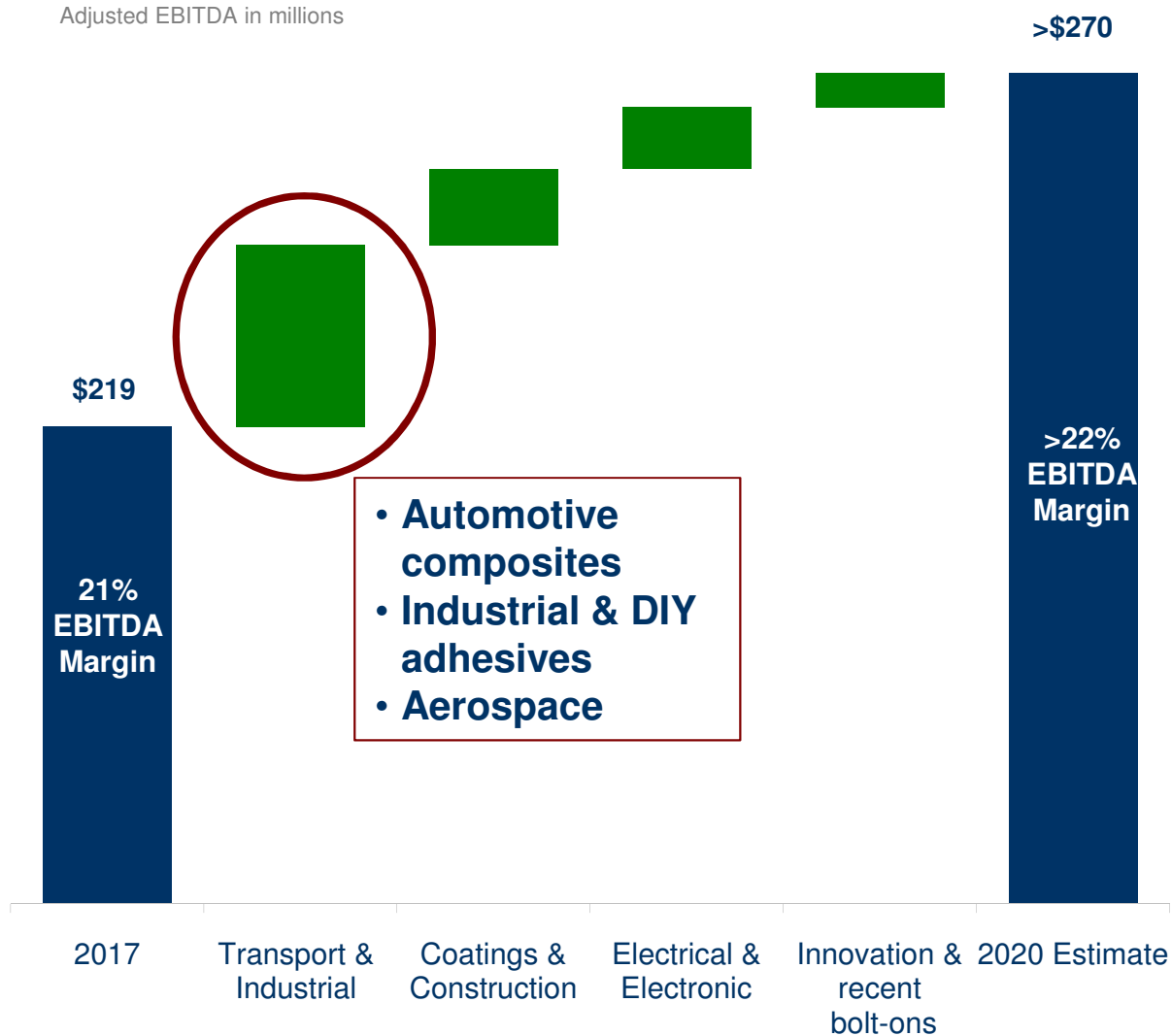
**~7% EBITDA CAGR**

- Focus on specialty applications – 2x GDP volume growth
- Targeted innovation for customer solutions
- Assumes no new M&A

# Advanced Materials

## Bridging 2017 to 2020E EBITDA

Adjusted EBITDA in millions



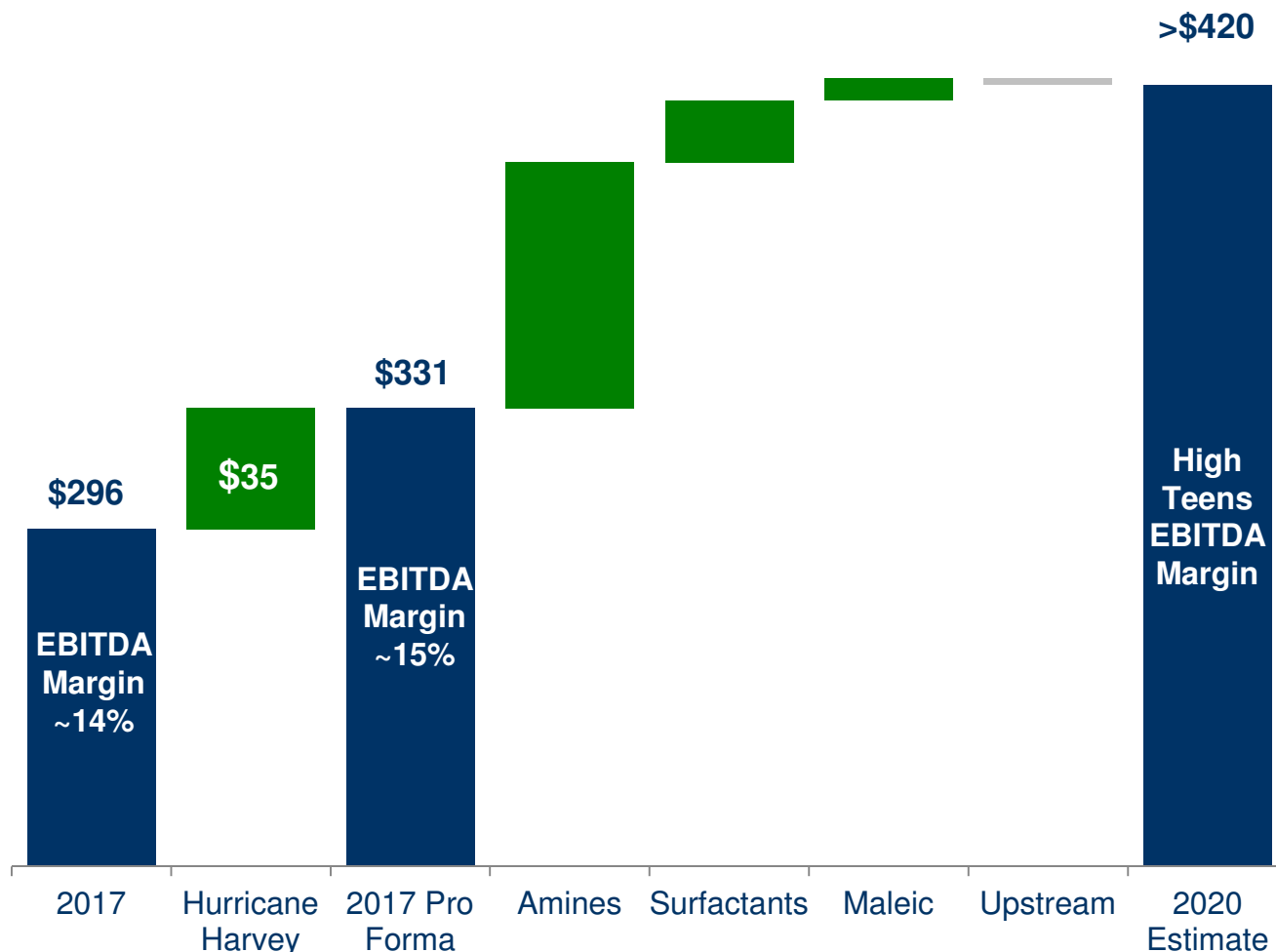
**~7% EBITDA CAGR**

- Focus on specialty applications – 2x GDP volume growth
- Targeted innovation for customer solutions
- Assumes no new M&A

# Performance Products

## Bridging 2017 to 2020E EBITDA

Adjusted EBITDA in millions



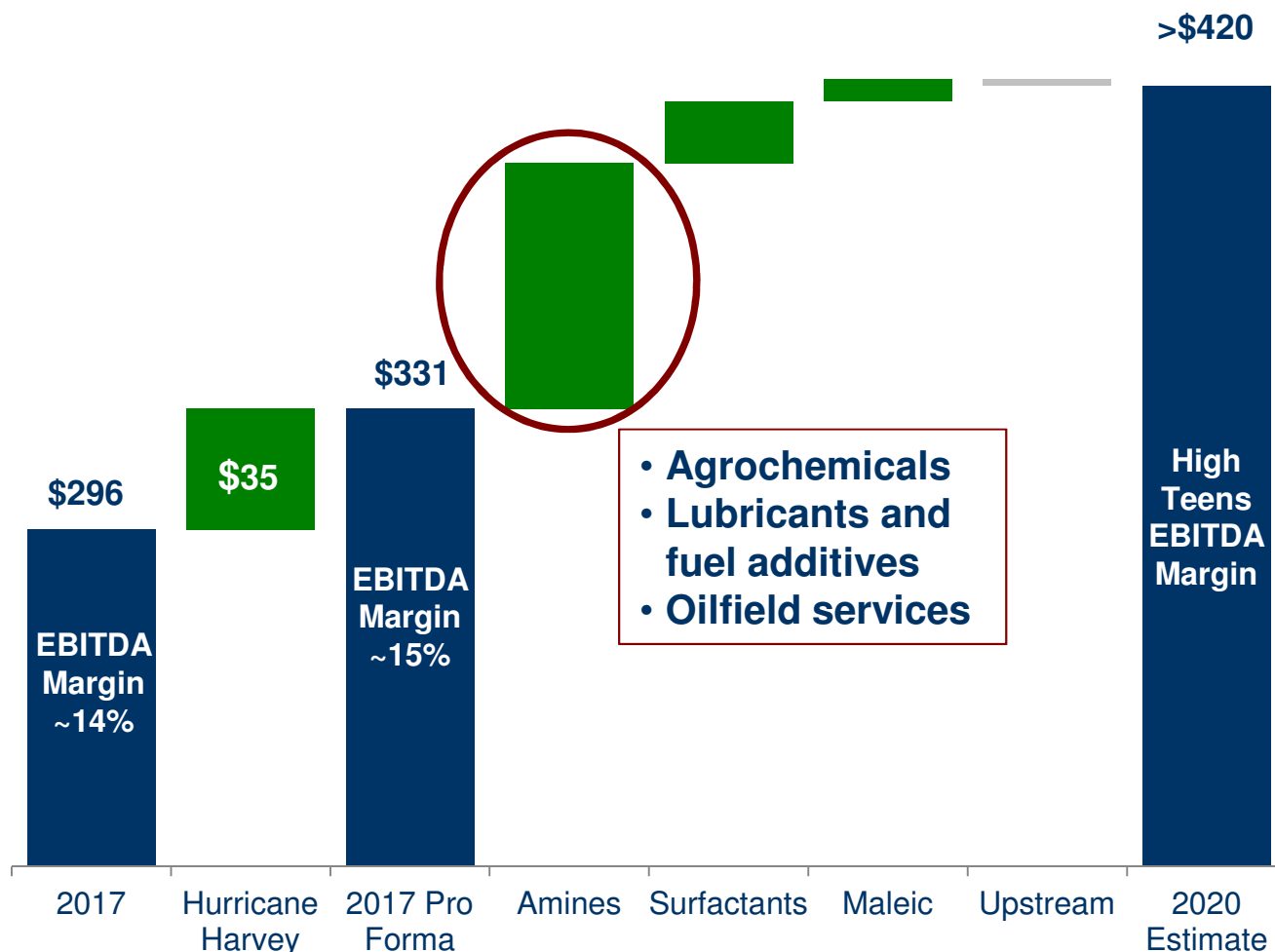
### ~9% EBITDA CAGR

- Macro trends in key markets – 2.0x GDP volume growth in key markets
- Strong innovation pipeline
- Downstream derivatization of low cost intermediates
- Assumes no new M&A

# Performance Products

## Bridging 2017 to 2020E EBITDA

Adjusted EBITDA in millions



### ~9% EBITDA CAGR

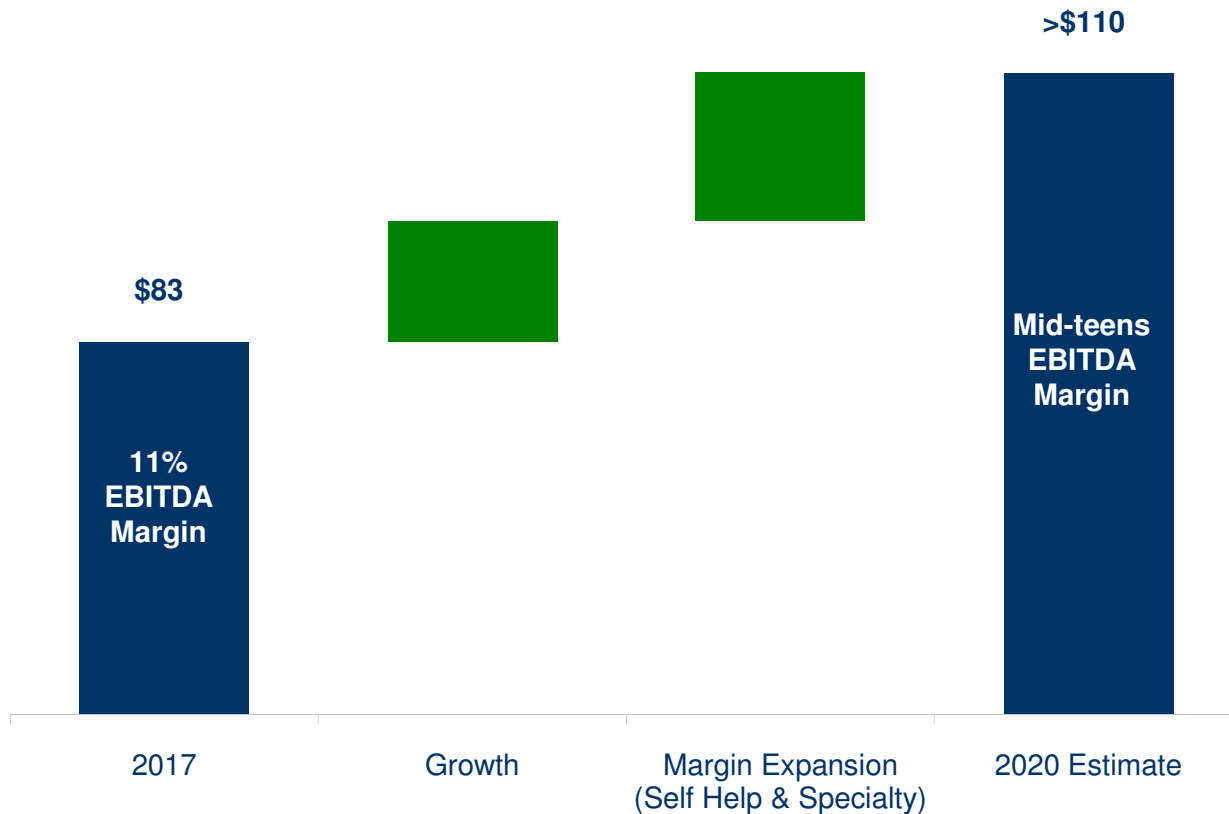
- Macro trends in key markets – 2.0x GDP volume growth in key markets
- Strong innovation pipeline
- Downstream derivatization of low cost intermediates
- Assumes no new M&A



# Textile Effects

## Bridging 2017 to 2020E EBITDA

Adjusted EBITDA in millions

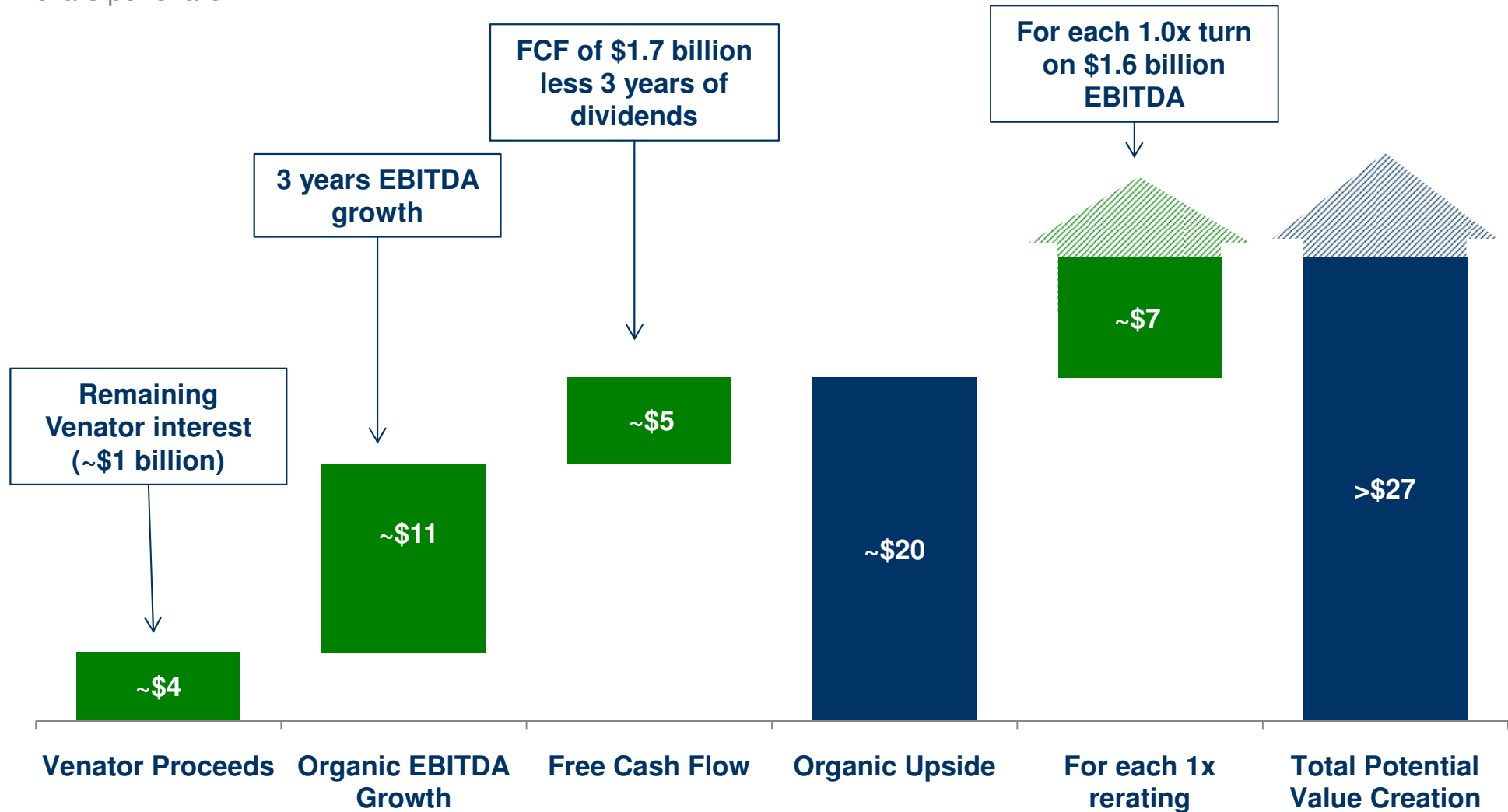


### >10% EBITDA CAGR

- Alignment with key macro trends
- Growth in specialty & differentiated products
- Margin expansion
- Assumes no new M&A

# Significant Value Creation Upside

Dollars per share



**>\$27 per Share in Potential Value Creation**



Enriching lives through innovation

# Polyurethanes

Tony Hankins

*CEO Asia Pacific*

*Division President*

# Polyurethanes Are All Around Us

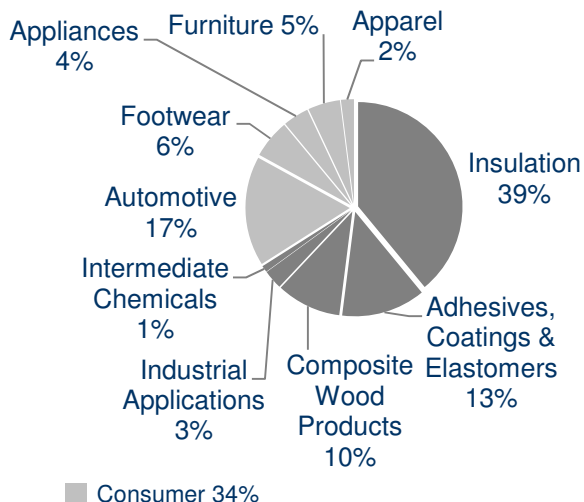




# Polyurethanes

## MDI Urethanes End Markets

2017 Revenues Source: Management Estimates



## 1Q18 LTM

Revenues

**\$4.7**

billion

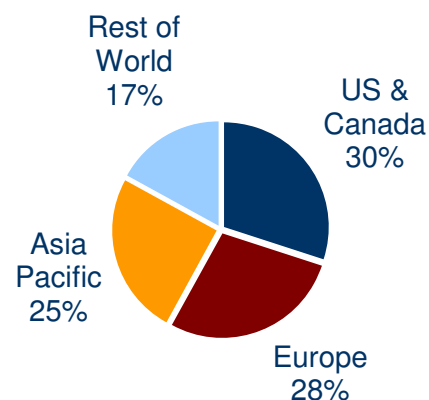
Adjusted EBITDA

**\$967**

million

## Revenues

2017 Revenues



INSULATION



AUTOMOTIVE INTERIORS

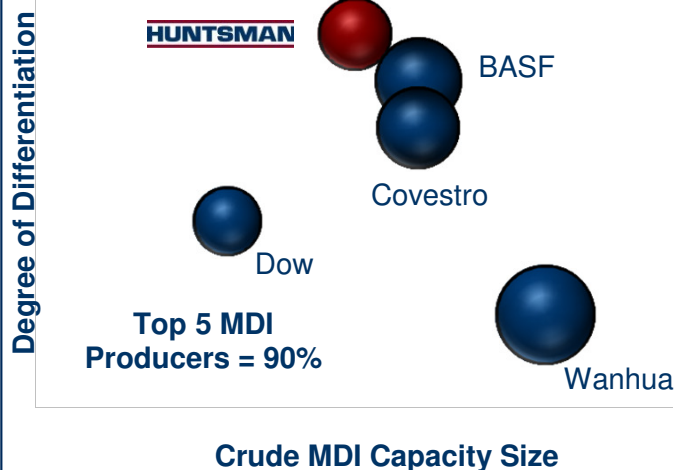


COMPOSITE WOOD ADHESIVES



ELASTOMERS

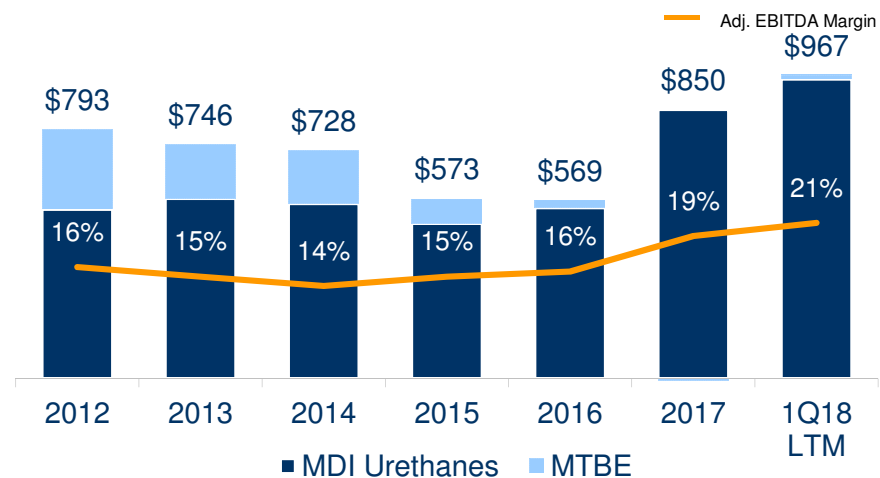
## MDI Competitive Intensity



Source: Management Estimates

## Adjusted EBITDA History

\$ in millions



# MDI Industry Demand Remains Strong ~2x GDP

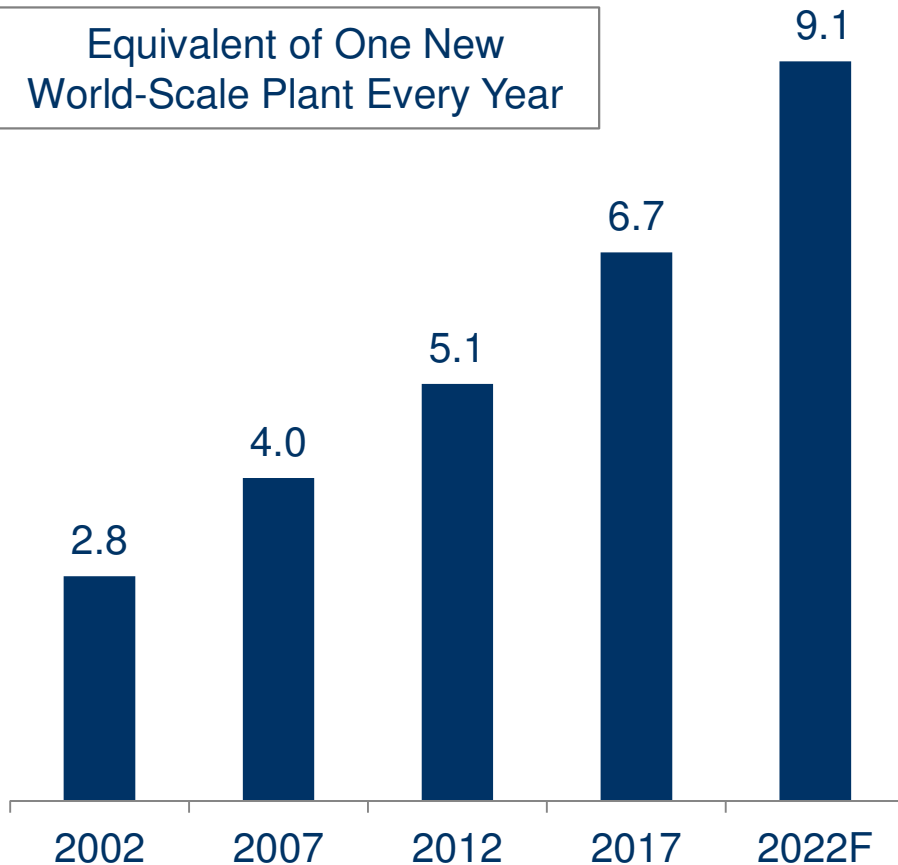
Driven by Global Megatrends and Material Substitution

## MDI Industry Size

(millions of tonnes)

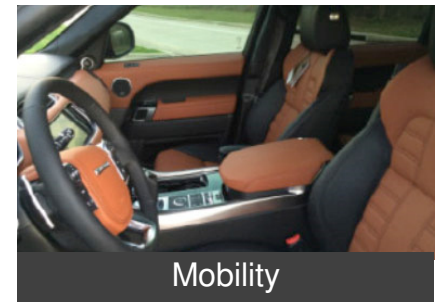
**2017-2022 Projections**  
Demand Growth **6%-7% CAGR**

Equivalent of One New  
World-Scale Plant Every Year



Source: Nexant, Management Estimates

## Global Megatrends Driving Long-Term Growth



## Material Substitution

Replacing TDI, Polystyrene, PF/UF, rubber and acrylics

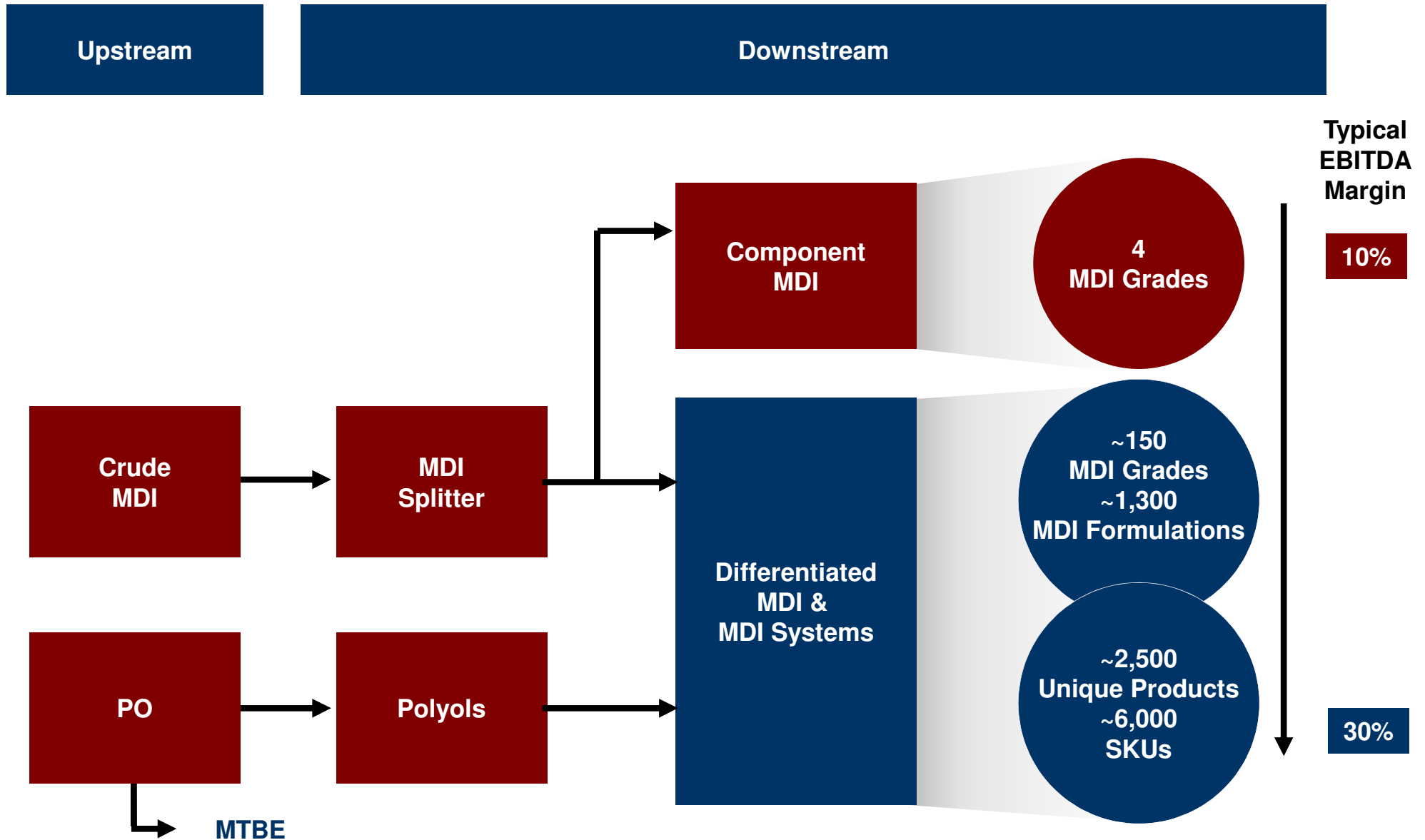
■ GDP ■ Substitution

3%

3%

# Downstream MDI Urethanes Products

Provide a Significant Opportunity to Differentiate



# Polyurethanes Growing Through Downstream Solutions



## Leveraging Our Strengths in Formulation Expertise and Innovation

MDI  
ISOCYANATES

POLYOLS

ADDITIVES



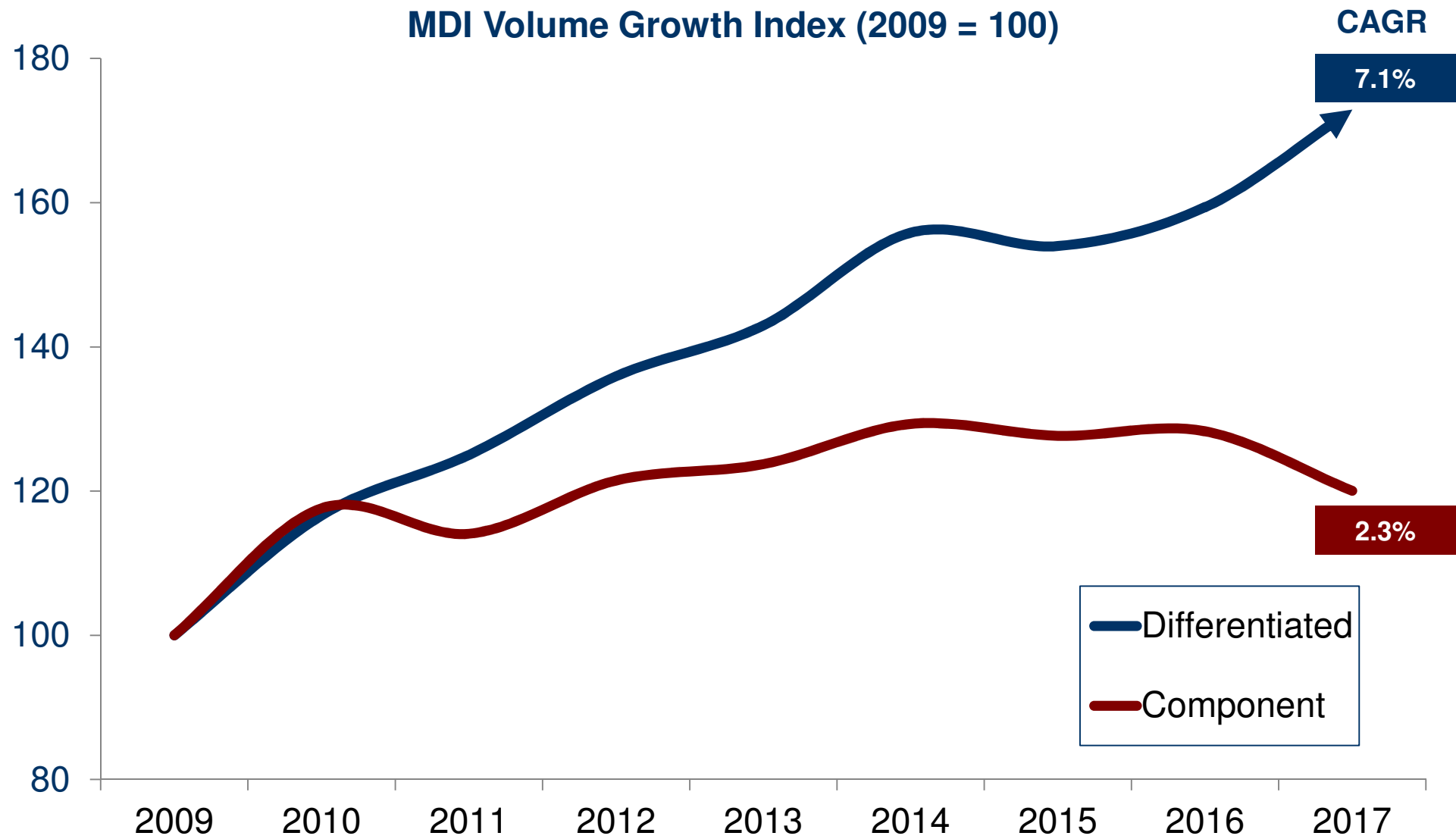
**FORMULATED MDI SYSTEMS**

## Characteristics of Downstream Business

- Highly fragmented customer base
- Customers value technical solutions
- Systems sales or specialized MDI
- Lower volatility, less utilization dependent
- Higher cost to serve
- Higher EBITDA margins
- EBITDA to Sales > 20%
- Proximity to downstream customers



# We Have Prioritized Growth of Our Differentiated Volumes



# Huntsman Portfolio Composition

Differentiation is a Continuum

**~75%  
Differentiated**



**Continuum of Differentiation**

Automotive  
Furniture  
Adhesives &  
Coatings Systems  
Elastomers  
(TPU, Footwear,  
Specialty Elastomers)

Insulation  
Systems

Appliance  
Systems

**Typical EBITDA Margin Range**

**15% to 30%**

**~25%  
Component**



**Continuum of Differentiation**

Adhesive  
Components

Synthetic  
Leather

Insulation  
Components

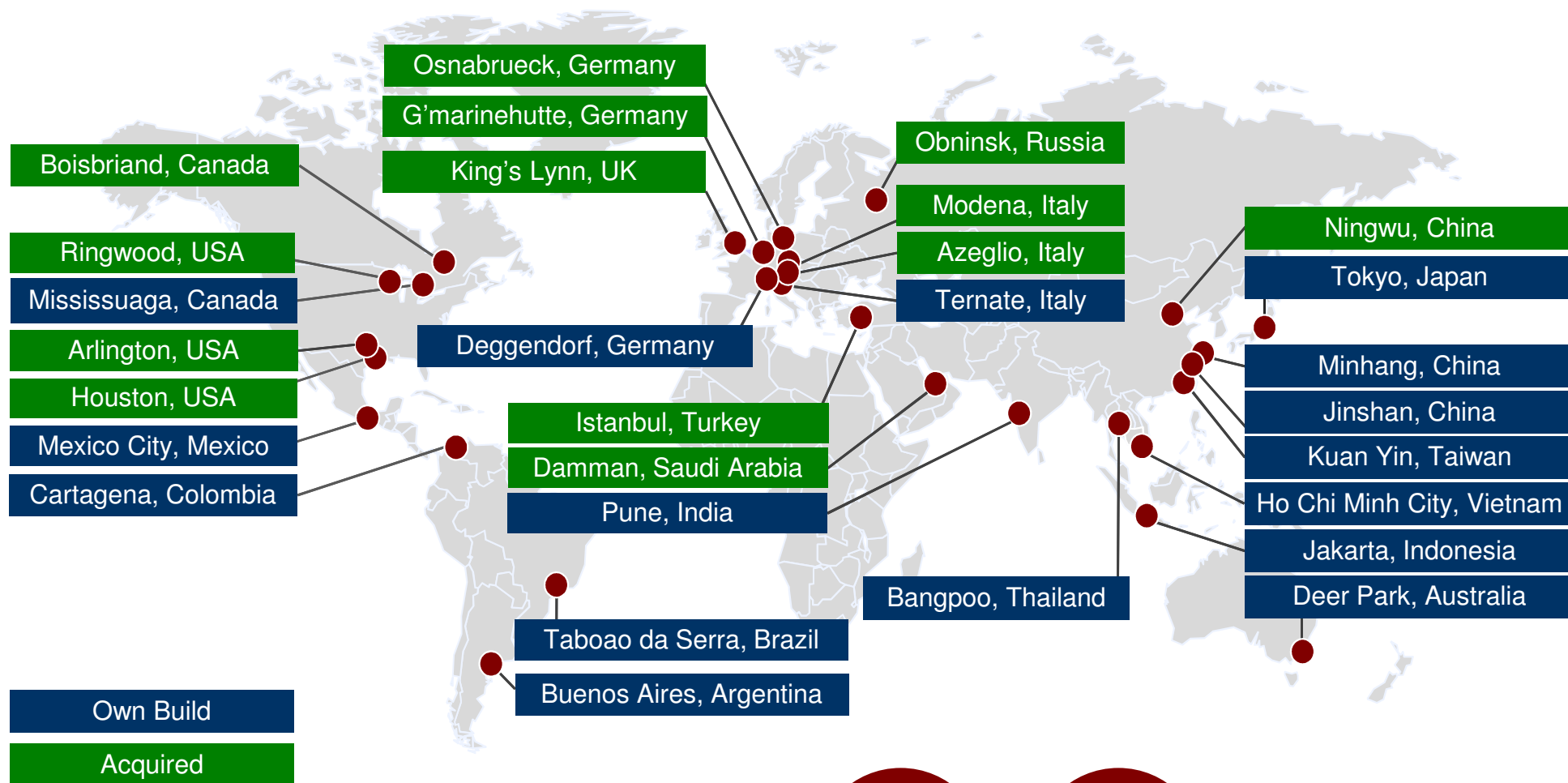
Composite  
Wood Products

Appliance  
Components

**EBITDA Margin Range 10% to 20%**

# Downstream Footprint

## Significant Expansion Program



### New investments under construction

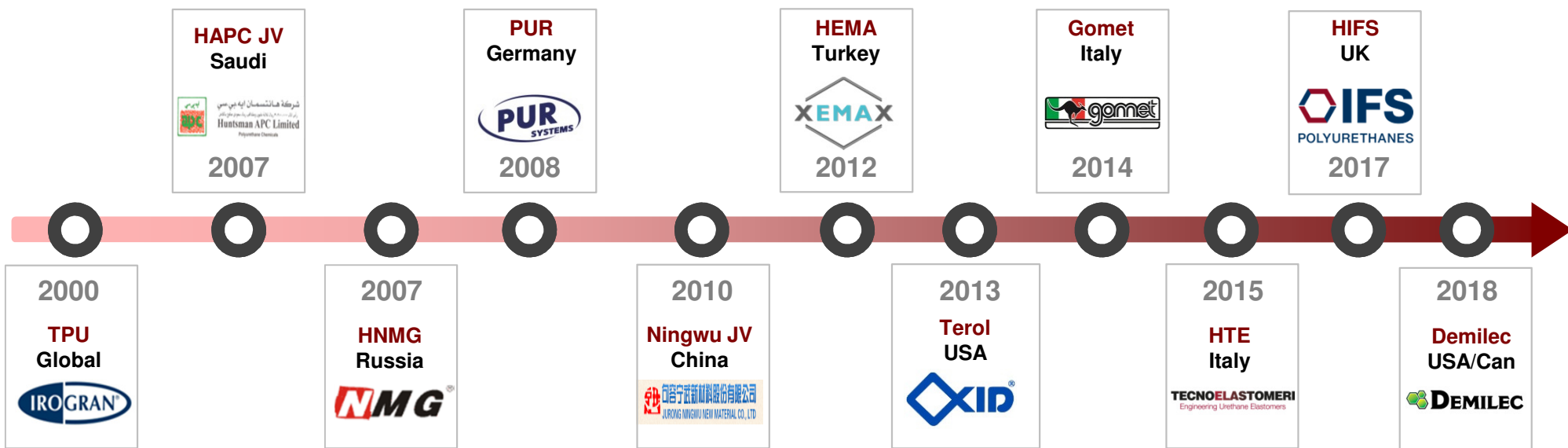
- New System House in Dubai
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- System House Expansion in Taiwan

**3x**  
GDP Growth

**>20%**  
EBITDA  
Margins

# History of Highly Accretive Bolt-on Acquisitions

## To Access Markets and Technology Platforms



20%  
PORTFOLIO<sup>(1)</sup>

3.5x  
MULTIPLE



(1) % of MDI EBITDA

# Bolt-On Acquisition Case Study

PUR Systems, Germany, Acquired 2008



- Small, independent Insulation systems formulator
- Based in Germany with local sales
- 8x multiple on 2007 adjusted EBITDA

## HOW?

### 1. Globalization

- Huntsman's global network expanded PUR Systems reach
- Supported PUR customers to globalize their business

### 2. Technology Transfer

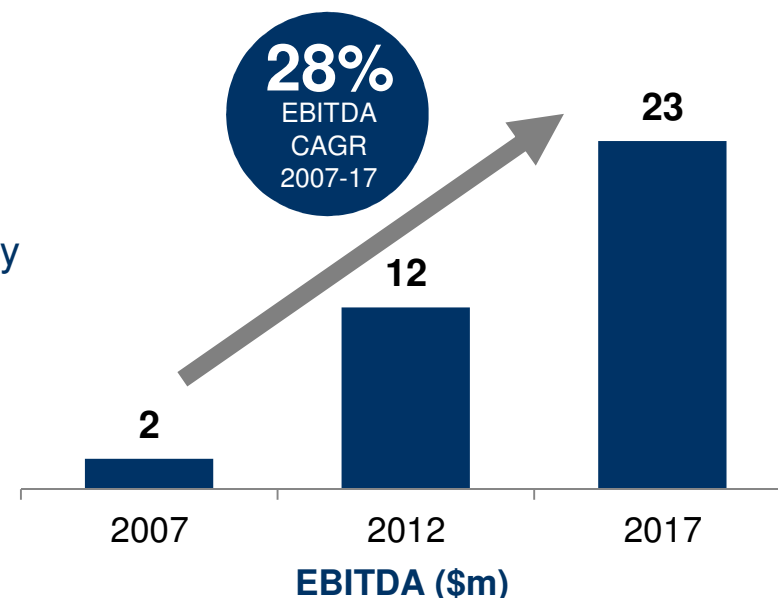
- Huntsman transferred fire rated insulation technology developed in regional HQ R&D labs to PUR
- Technology transfer from PUR to other bolt-ons; technology transfer to PUR from other bolt-ons

### 3. MDI Supply Reliability + PUR Systems Agility

- PUR highly agile supplier to small customers
- Huntsman provided reliable MDI supply to allow PUR to develop medium to large customers

### Post Acquisition

< 1x Multiple with Synergies







# Growth in Insulation with Energy Saving Formulated Systems

## MDI Insulation

- MDI systems provide highest insulation value, air tightness and moisture barriers
- Largest MDI sector growing at 6%-7% per annum
- Sector requires equivalent of two new world scale MDI plants to meet demand in the next five years
- 40%-50% of all energy used to heat & cool buildings – insulation is the most cost effective way of saving energy
- Huntsman focus on formulated insulation systems, back integrated into both MDI and TEROL polyester technology

## Huntsman Insulation Innovation


**Americas**  
SPF - Home Insulation




A full portfolio of environmentally friendly, energy-efficient insulation products, that reduce expenses for builders and building owners



**Europe**  
Composite Panels



Rapid development of DaltoPUR and DaltoPIR fire retardant product portfolio in response to customer and regulatory demand for fire retardant products



**Asia**  
SPF - Pipe Insulation



Developed new spray foam technology delivering 30% improvement efficiency on a 38 km pipeline providing heating to 2 million residents in Taiyuan, China



**17%**

MDI  
Revenues

# Global Automotive Growth Platform

## To Help Customers Build the Cars of the Future

Global Industry  
Light Vehicle  
Assembly  
(2010-2017 CAGR)

**4.5%**

Huntsman  
MDI Systems  
(2010-2017 CAGR)

**5.6%**

Huntsman  
MDI systems  
Market Share

**~30%**

### Making vehicles lighter

- Meet CO2 emission standards
- Extend hybrid / electric vehicle range
- Compact foam seating to increase space
- PU for light weight composite materials

### Improving the ride comfort & safety

- MDI seating for comfort & support
- Tunable acoustic foam to absorption sound
- Vibration dampening
- VOC foams to improve in-car air quality



LMCA & management estimates;  
Roland Berger report 'Risks & Opportunities for Polyurethanes in Electric & Hybrid Vehicles, 2018

**12%**

MDI  
Revenues

# Global Elastomers Business

Versatile High Performance MDI / TPU systems

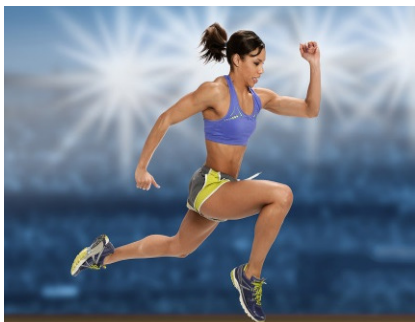
## Global Elastomers ~2000 Ktes MDI Systems Market

Huntsman is a ~\$500 million global business

Highly fragmented customer base seeking custom solutions

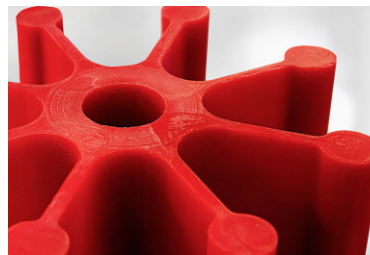
Value pricing reflects need for formulation and innovation support

### Footwear



- Accelerate growth to become the number 1 footwear PU company
- ~700 Huntsman SKUs
- >10% Growth (2017-2020)
- >20% EBITDA / revenue

### Specialty Elastomers



**TECNOELASTOMERI**  
Engineering Urethane Elastomers



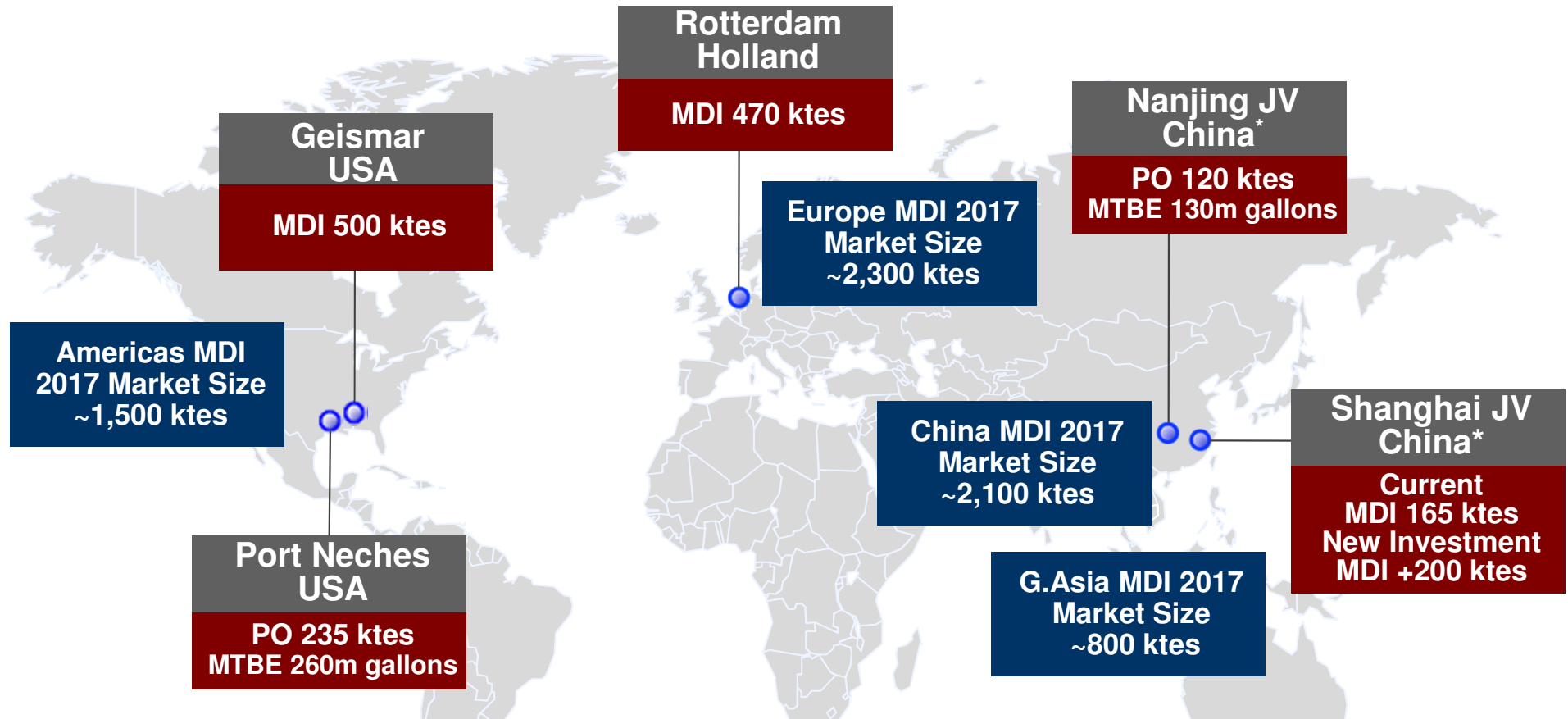
- With our customers deliver high quality sustainable solutions
- ~2,400 Huntsman SKUs
- 10% Growth (2017-2020)
- ~20% EBITDA / revenue

**Leverage decades of global elastomer technology and innovation experience**



# Upstream Footprint

Geographically Balanced Supporting Downstream Growth



Capacity Additions	Type	Amount	Comments
Rotterdam	MDI Debottleneck	+60 ktes	Complete
Nanjing	PO Joint Venture	+120 ktes	Complete
Caojing	MDI Expansion	+200 ktes	Ramp up 2018-2020

\*Huntsman share of JV plant output  
Market Size, Source Nexant, Management

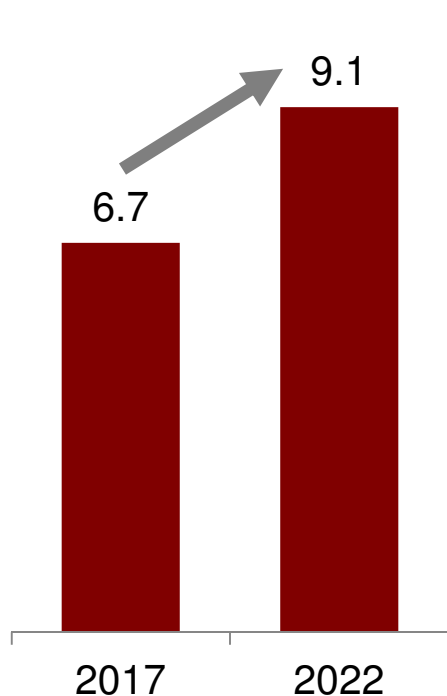
# MDI Industry Capacity Utilization

Over the Next 5 Years Demand Will Continue to Outstrip Supply Additions

## MDI Demand

('000s ktes)

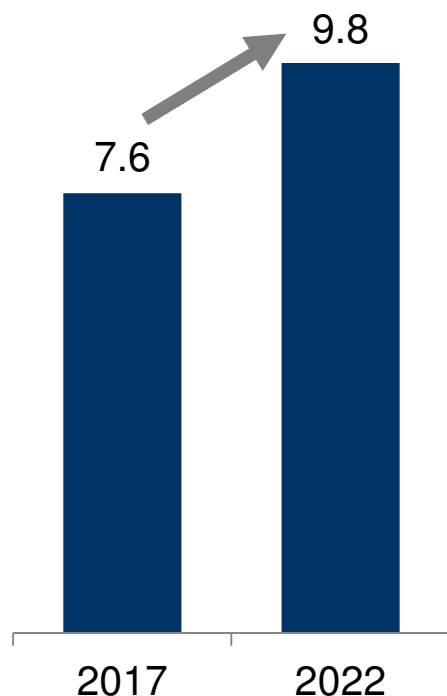
**CAGR**  
**6%**



## MDI Capacity

('000s ktes)

**CAGR**  
**5%**



## New Investments 2018 - 2022

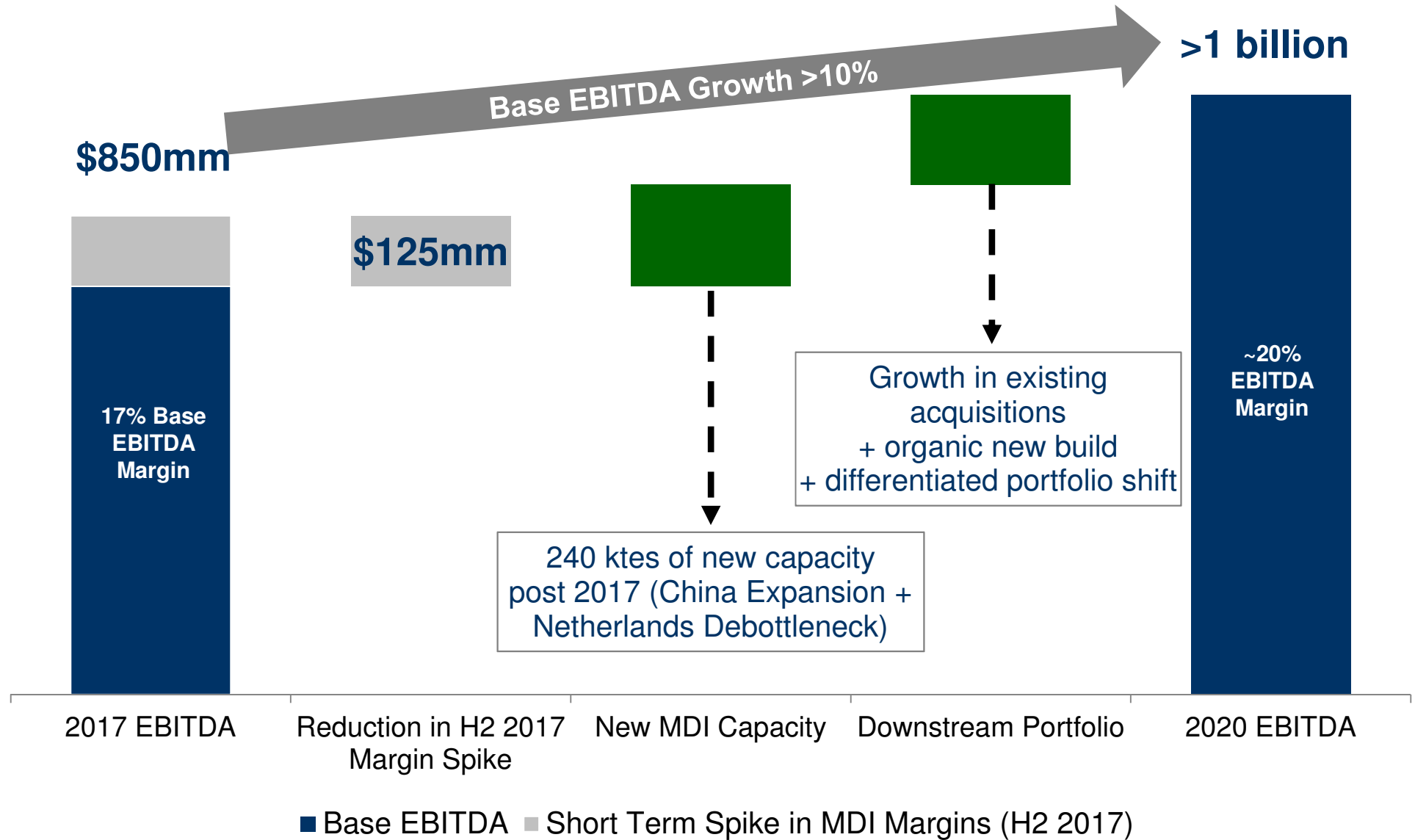
Company	Country	ktes
Wanhua	China	+800
BASF	US	+300
SLIC/HUN	China	+240 (HUN =200/240)
Covestro	Germany	+200
Covestro	China	+140
K.Mitsui	Korea	+100
Wanhua	Hungary	+60
Covestro	Europe	+50

Note: 2022 capacity bar charts to the left include BASF Chongqing and Sadara realization of full capacity.

Note: \* Operating capacity  
Source: Management Estimates

# Bridging Polyurethanes EBITDA

2017 to 2020F



# Key Takeaways

MDI Urethanes strategically aligned with growth megatrends

Huntsman sharply focused on growing its differentiated business

Differentiated business delivering high margins and low volatility

Excellent platform for downstream bolt-on acquisitions

Competitive upstream position, new capacity providing growth

MDI conditions favorable for foreseeable future

## 2020 Targets

**2x  
GDP  
Growth**

**>\$1B  
EBITDA  
>10% CAGR\***

**~20%  
EBITDA  
Margins**

**>70%  
Free Cash Flow  
Conversion**

\* Base EBITDA (excluding H2 2017 margin spike)



Enriching lives through innovation

# Q&A

**Tony Hankins**

*CEO Asia Pacific*

*Division President*

*Polyurethanes*



Enriching lives through innovation

# Advanced Materials

Scott Wright

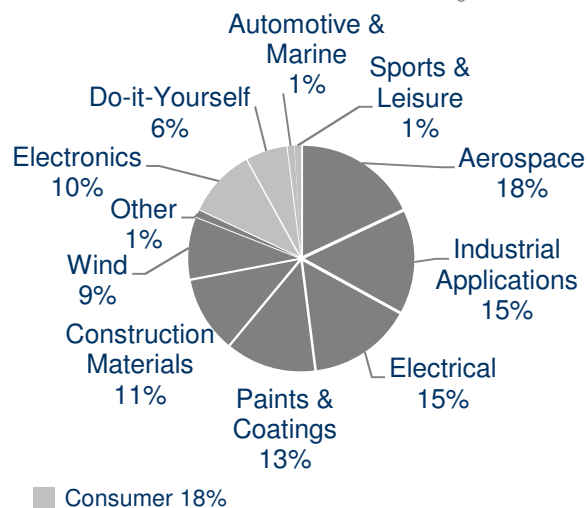
*Division President*

# Advanced Materials

## End Markets

2017 Revenues

Source: Management Estimates



## 1Q18 LTM

Revenues

**\$1.1**

billion

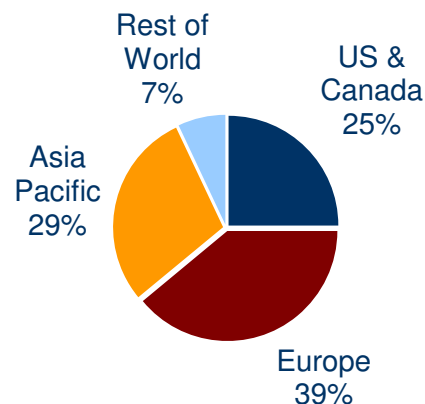
Adjusted EBITDA

**\$224**

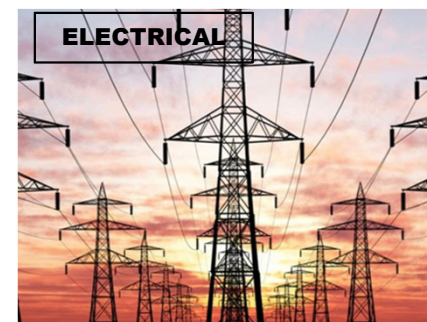
million

## Revenues

2017 Revenues



AEROSPACE



ELECTRICAL



ADHESIVES



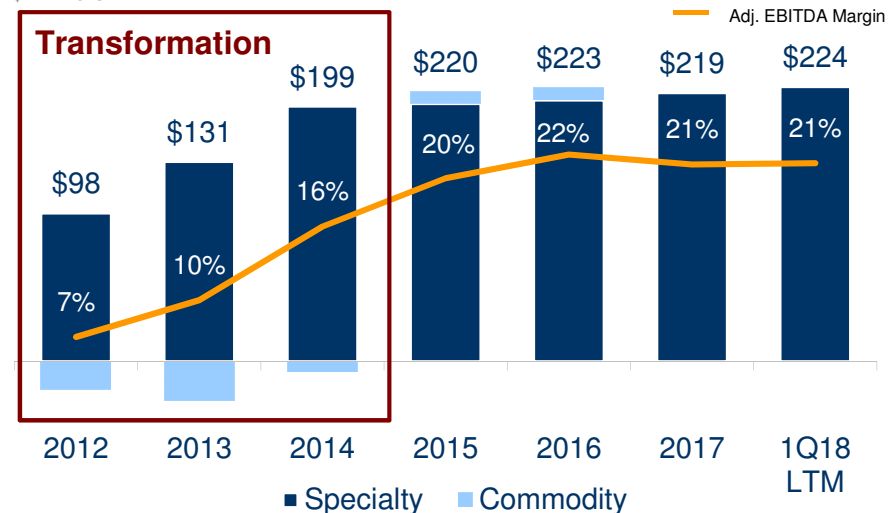
AUTOMOTIVE

## Competitive Landscape

Primary Market	Select Competitors
Transportation & Industrial	Henkel, Sumitomo
Electrical & Electronic	Elantas, Xiongrun
Coatings & Construction Additives	Evonik, Allnex, BASF

## Adjusted EBITDA History

\$ in millions





# Transformed to a Specialty Business

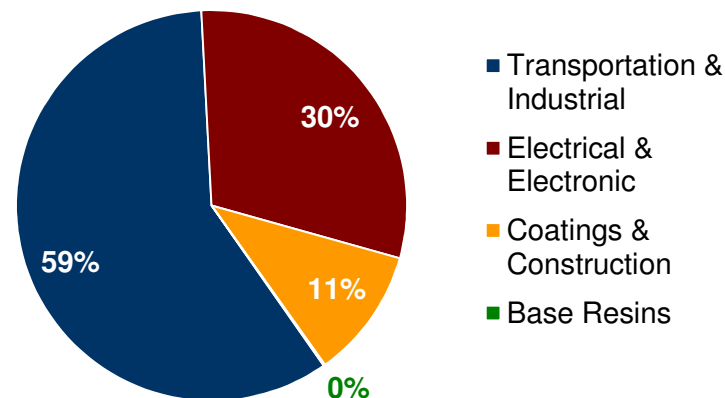
A Focused Customer Effect Provider

## Transformed Business Portfolio

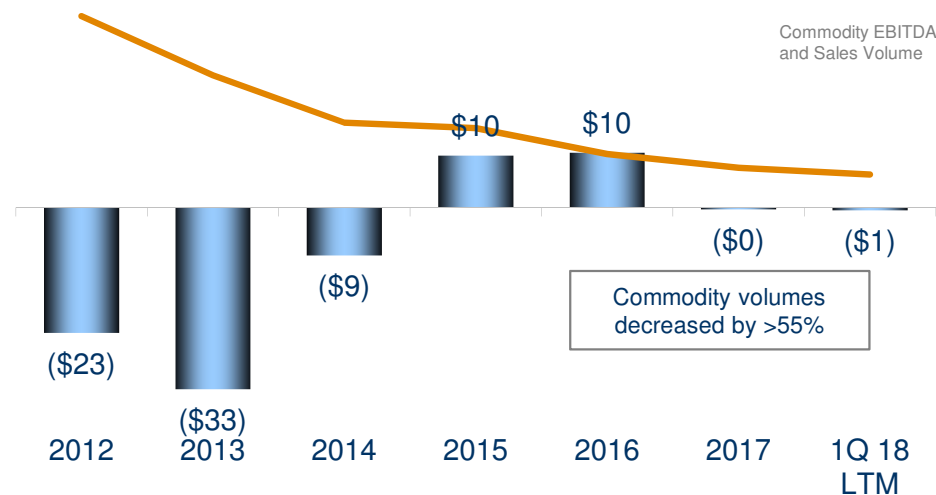
- Asset and market portfolio transformed
- High value customer solutions focus
  - Transportation & Industrial
    - Light weighting and bonding solutions
  - Electrical & Electronic
    - Insulation and encapsulation solutions
  - Coatings & Construction
    - Advanced additives
- Growth evident in all target segments
- Multiple levers for future growth
  - Targeted innovation
  - Multiple chemistries and effects
  - Technology bolt-ons
- Consistent high margins

## Specialty Portfolio

2017 EBITDA



## Optimized Excess Base Resins



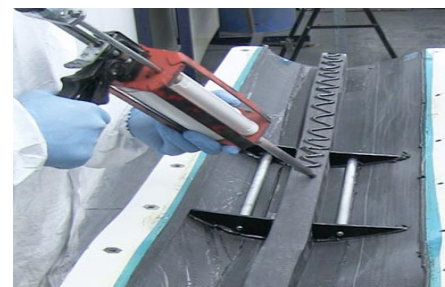


# Platform for Specialty Growth

## Benefit by Leveraging Innovation and Acquisitions

2017 EBITDA

<div>Effect</div> <div>Market</div>	Light Weighting	Adhesion & Joining	Electrical Insulation	Protection	New Effects
Transportation & Industrial	EBITDA \$129mm		EBITDA \$66mm	EBITDA \$24mm	Innovation and bolt-on acquisitions
Electrical & Electronic	EBITDA \$66mm				
Coatings & Construction	EBITDA \$24mm				
Adjacent Markets					



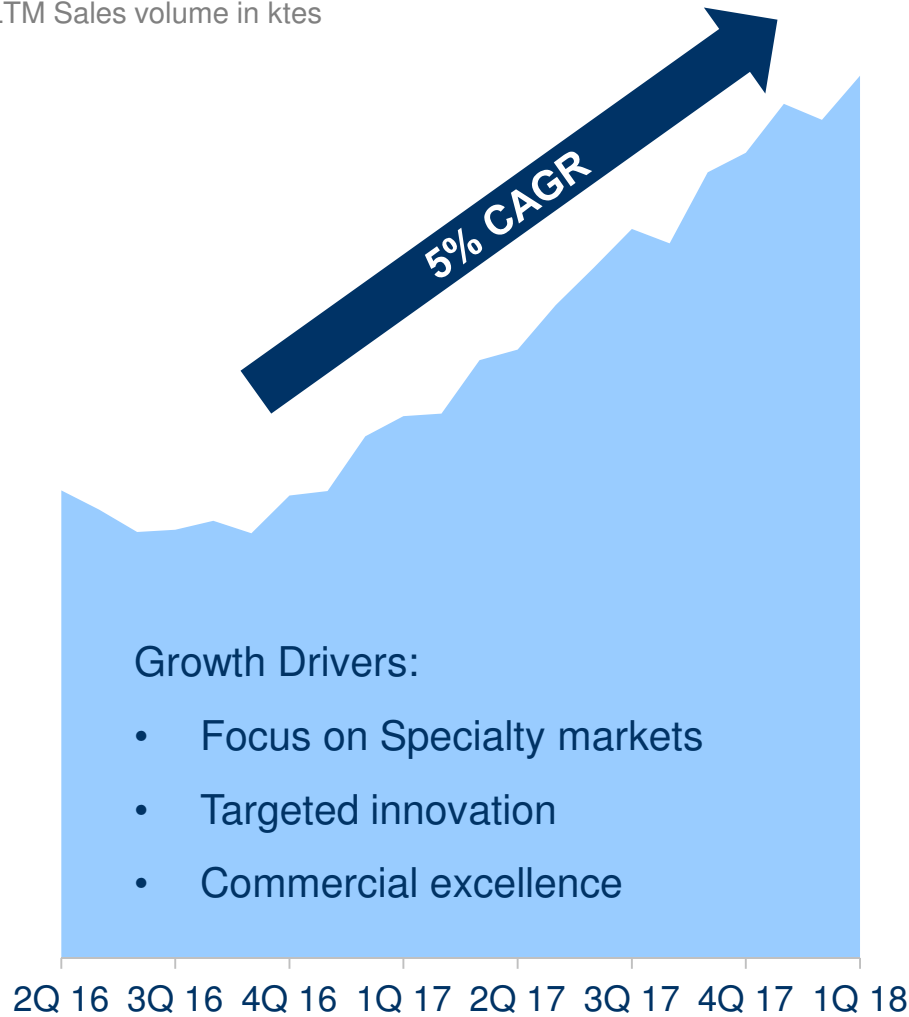
# Specialty Business Growth

## Specialty Growth Drives EBITDA

**2x GDP**  
HUN Growth  
Rate

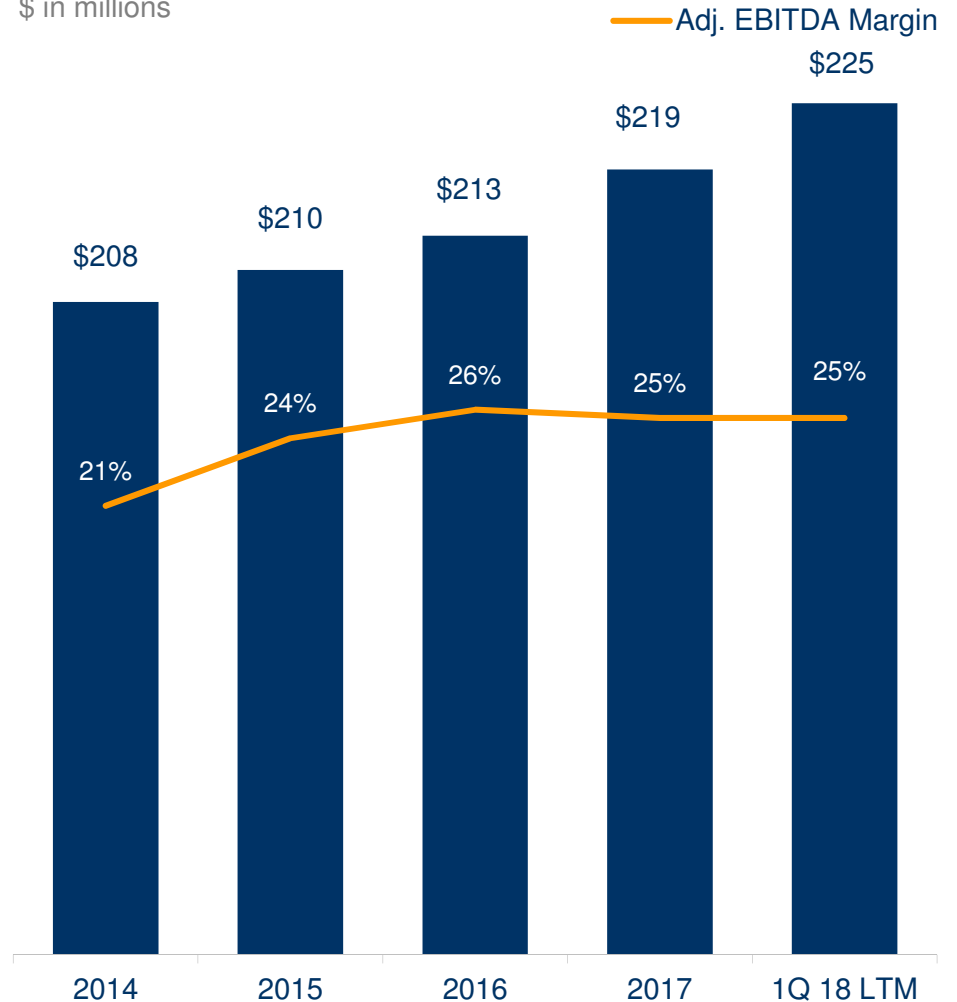
### Specialty Volume Inflection Late 2016

LTM Sales volume in ktes



### Specialty EBITDA

\$ in millions



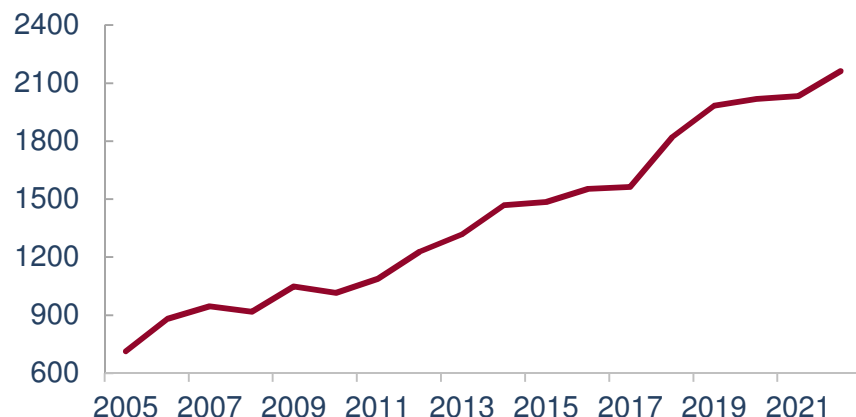
**59%**  
of EBITDA

# Transportation & Industrial

## Robust Aerospace Profitability

### Growing Aircraft Build Rate

Commercial Aircraft Build Rate



Source: Management estimates, Airbus, Boeing

### Growth in High Composite % Models

Program	2017 Deliveries	Max Forward Run Rate	Composites %
A350	78	144	52%
B787	136	168	50%
A380	15	12	30%
B777X	-	75	30%
A320neo	181	600	15%

### Increasing Composites Usage

- Robust forecast for build rates
- Near term – twin-aisle high composite models
  - Boeing 787 and Airbus 350
- Medium term – further material substitution
  - Enabled by production efficiency
- Industry focused on material usage efficiency



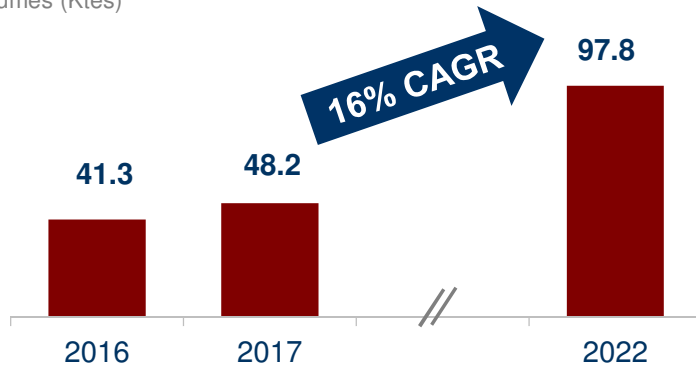
59%  
of EBITDA

# Transportation & Industrial, cont.

## Strong Composites and Adhesives Growth

### Automotive Composites

Market Volumes (Ktes)



Source: Stratview Research – Global Automotive Composites Market

- Paradigm shift coming in automotive markets
  - New types of vehicles emerging
- Light weighting materials will play a critical role
  - Market penetration enabled by productivity improvements

Pressure Vessels

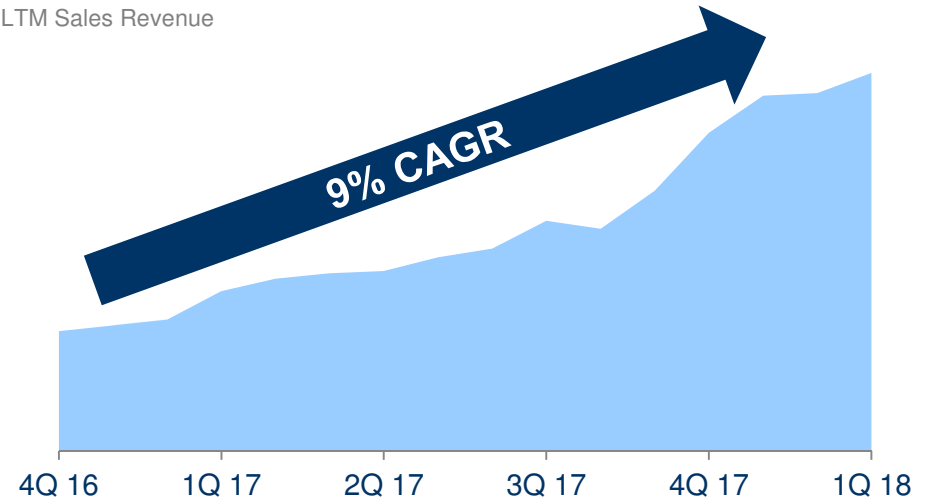


Leaf Springs



### Industrial and DIY Adhesives

LTM Sales Revenue



- New materials create opportunities to replace traditional joining technologies
- Long track record of performance and durability in demanding applications
- Strong presence in DIY market with Araldite® brand (especially in India)
- Leverage Miralon® based conductive adhesives



# Coatings & Construction Additives

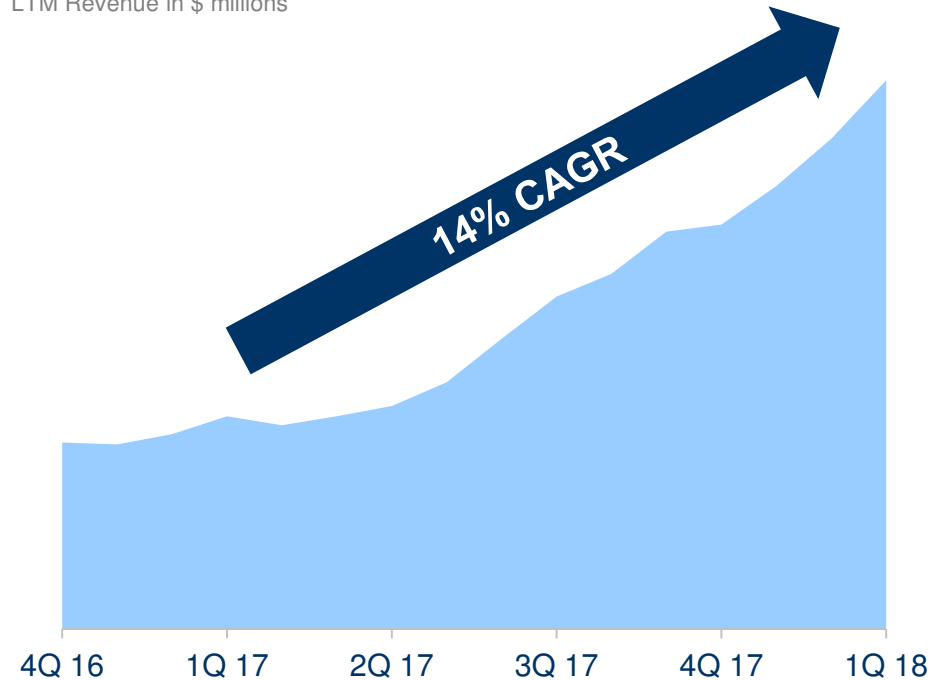
## Rapid Specialty Growth

### Market Needs

- Customers require:
  - High productivity
  - Flexible productivity
  - Compliant coatings
- We develop solutions to these needs
  - Rapid cure
  - Cure on demand
  - Low temperature curing agents
  - Water-borne systems
- Critical additives unlock customer performance requirements
- Shorter approval times accelerate growth

### Strengthening Revenue Growth

LTM Revenue in \$ millions





**30%**  
of EBITDA

# Electrical & Electronic

## Long-term Growth and Exciting Future

### Electrical

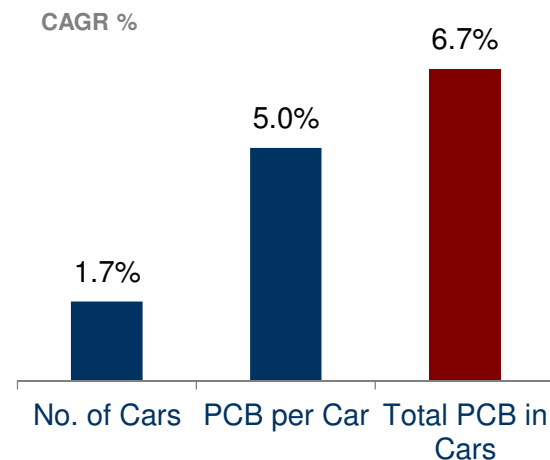
- High voltage grids require high performance long lasting insulation materials
  - High cost of failure, highly qualified
- Huntsman has a leading market position
  - Stable, high margin business
- Strong infrastructure growth in China & India



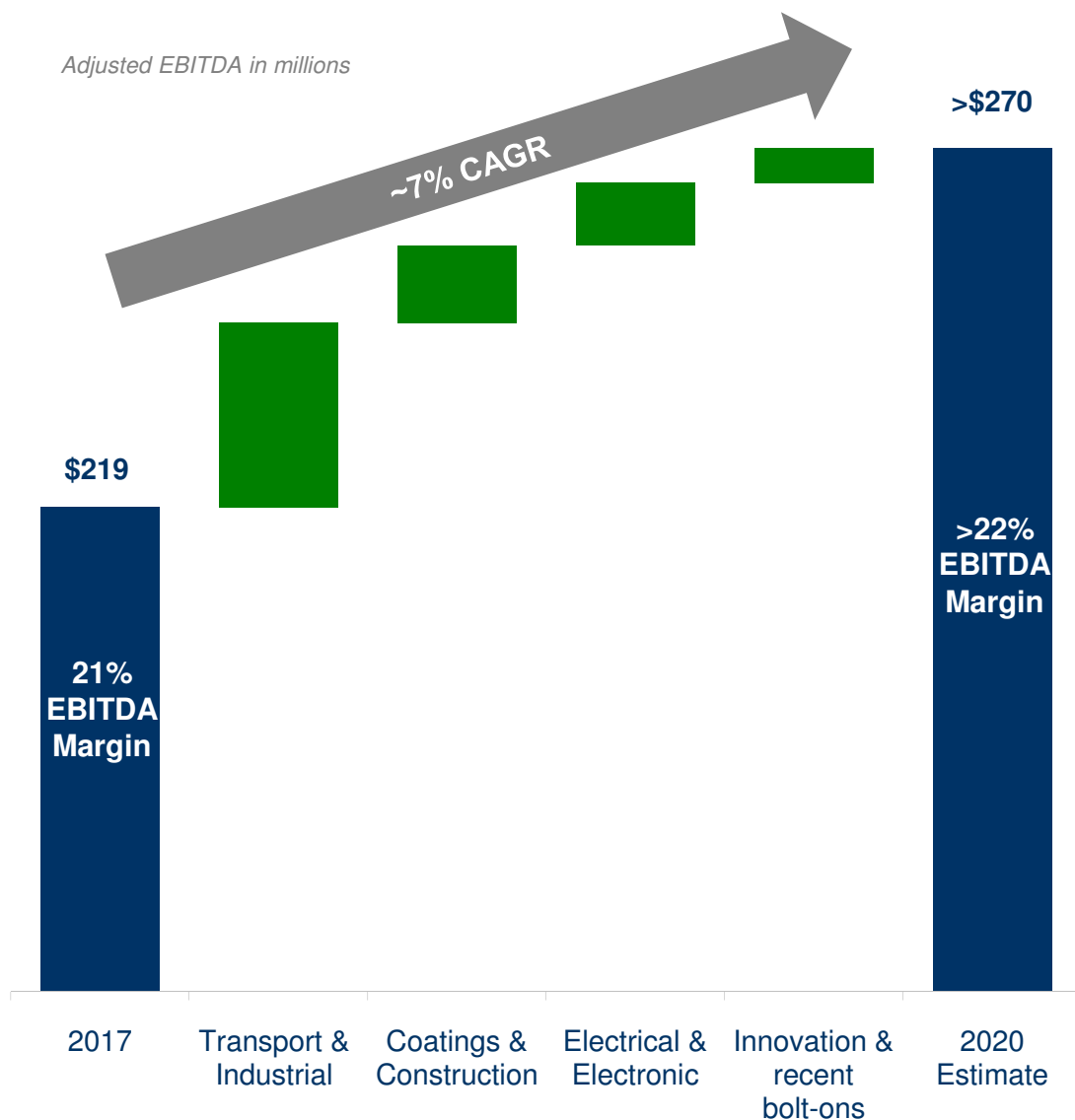
### Electronic

- Strong footprint in high-end printed circuit boards (PCB)
- Automotive industry a strong growth driver
  - PCB must last >10 years
  - Increasing importance of customer experience
    - Increasing electronics content
    - Miralon® instantaneous heating

### Automotive Electronics Growth to 2020



# Strong Earnings Growth Across Specialty Portfolio



- **Transportation & Industrial**
  - Exciting composites and adhesives growth in automotive, continued aerospace growth
- **Coatings & Construction**
  - Rapid growth in water-borne and productivity enhancing additives
- **Electrical & Electronic**
  - Growth from high-voltage infrastructure and automotive electronics applications

# Key Takeaways

## A Unique Platform for Quality Earnings Expansion

Strong position in attractive specialty markets

Specialty growth at 2x GDP

Highly qualified applications create robustness in portfolio

Healthy innovation pipeline and platform for bolt-on acquisitions

Sustainable >20% EBITDA margin

## 2020 Targets

**2x GDP  
Specialty  
Revenue  
Growth**

**>\$270mm  
EBITDA  
(~7% CAGR)**

**>22%  
EBITDA  
Margins**

**>75%  
Free Cash  
Flow Conversion**





Enriching lives through innovation

# Q&A

Scott Wright

*Division President*

*Advanced Materials*



Enriching lives through innovation

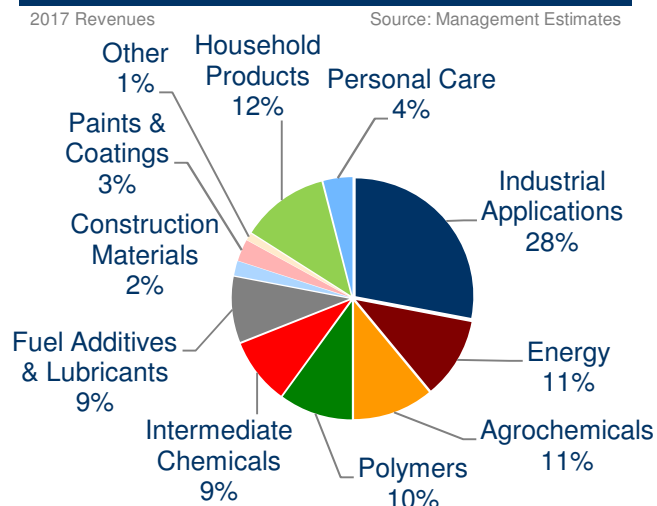
# Performance Products

Monte Edlund

*Division President*

# Performance Products

## End Markets



## 1Q18 LTM

### Revenues

**\$2.2**

billion

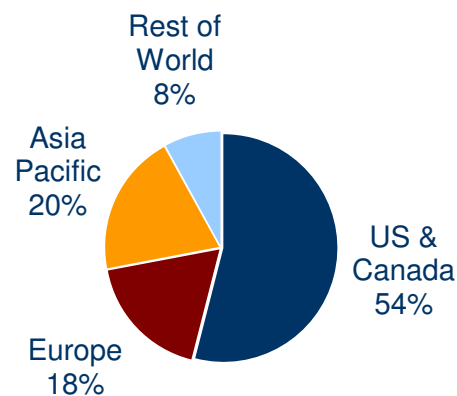
### Adjusted EBITDA

**\$314**

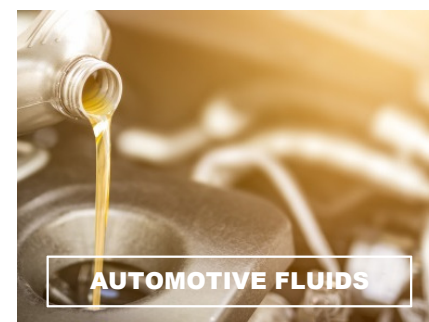
million

## Revenues

2017 Revenues



**AGRICULTURE**

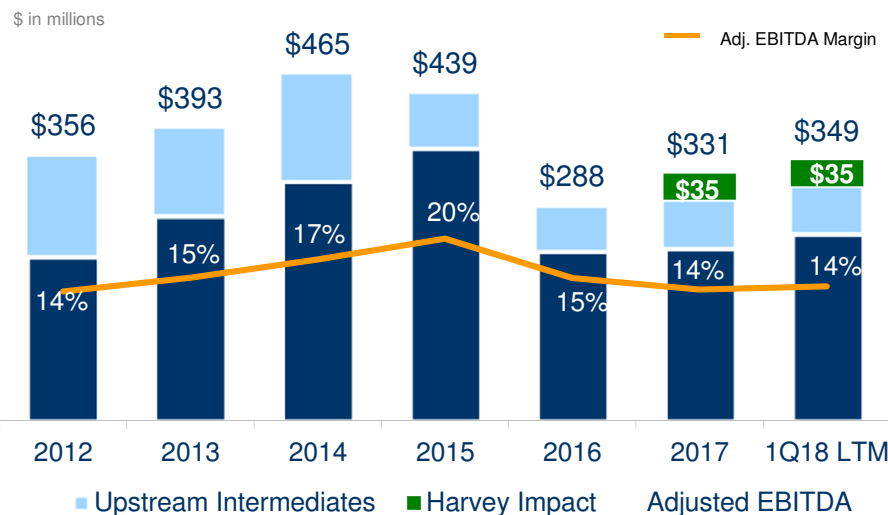


**AUTOMOTIVE FLUIDS**

## Huntsman Market Share

Product	Market Share	Peers
<b>Amines</b>		
Polyetheramines (Global)	>60%	BASF
Ethyleneamines (Global)	45%	Dow, Tosoh, Delamine
Ethanolamines (Americas)	20%	Dow, Ineos, Oxiteno
Morpholine/DGA (Americas & EMEA)	50%	BASF
Specialty PU Catalysts (Global)	40%	BASF, Evonik, Momentive
<b>Maleic Anhydride</b> (Americas & EMEA)		
	40%	Lanxess, Flint Hills, Polynt, Bartek

## Adjusted EBITDA History<sup>(1)</sup>



(1) Excludes European surfactants business, sold to Innospec in 2016



**OILFIELD**

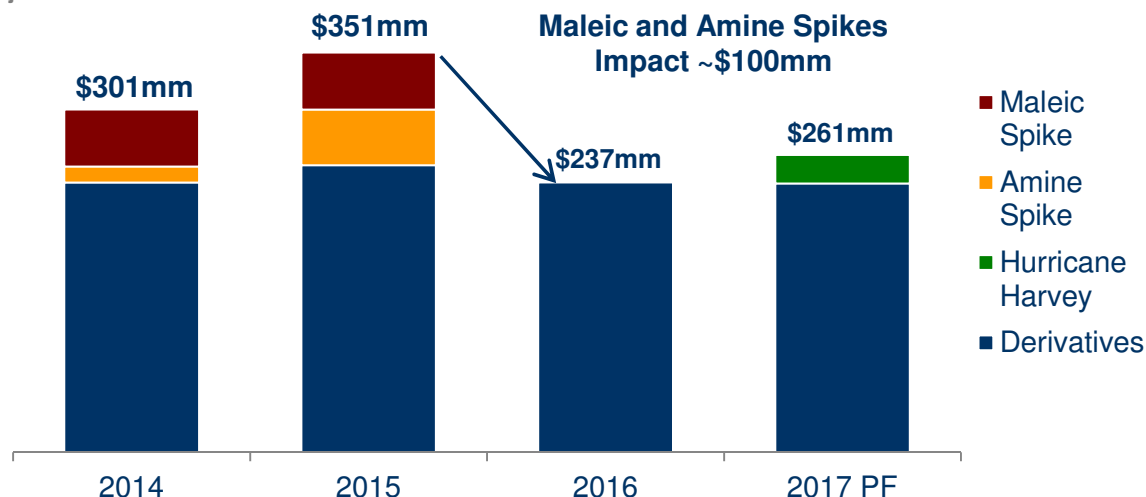


**MARINE**

# Recovery Underway Following Extraordinary Margin Spikes

## Derivatives (Amines, Maleic Anhydride & Surfactants)

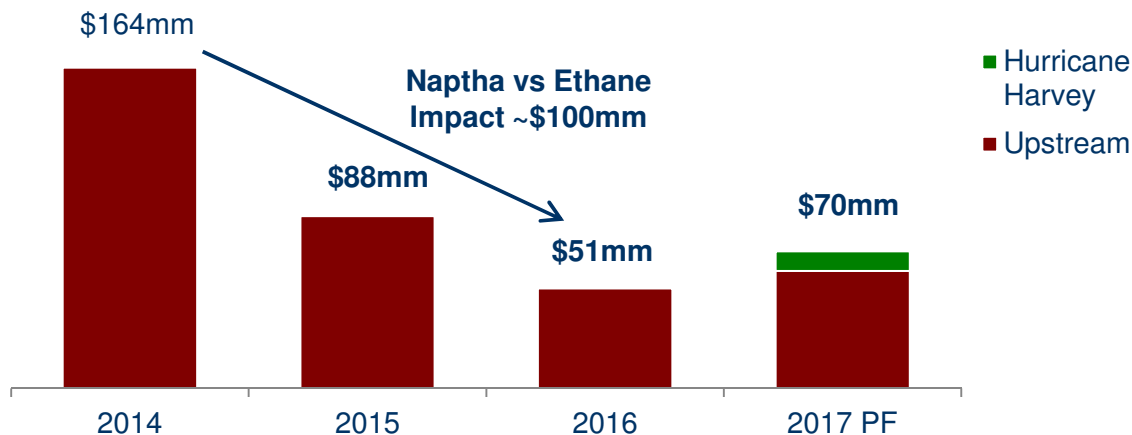
Adjusted EBITDA



- Wind market in China (29 GW in 2015 to 15 GW in 2017). Three Chinese polyetheramines competitors came on-line (2015)
- Maleic Anhydride competitors' production issues (2014 & 2015)
- Harvey impact of \$21mm

## Upstream (Ethylene, EO, EG)

Adjusted EBITDA

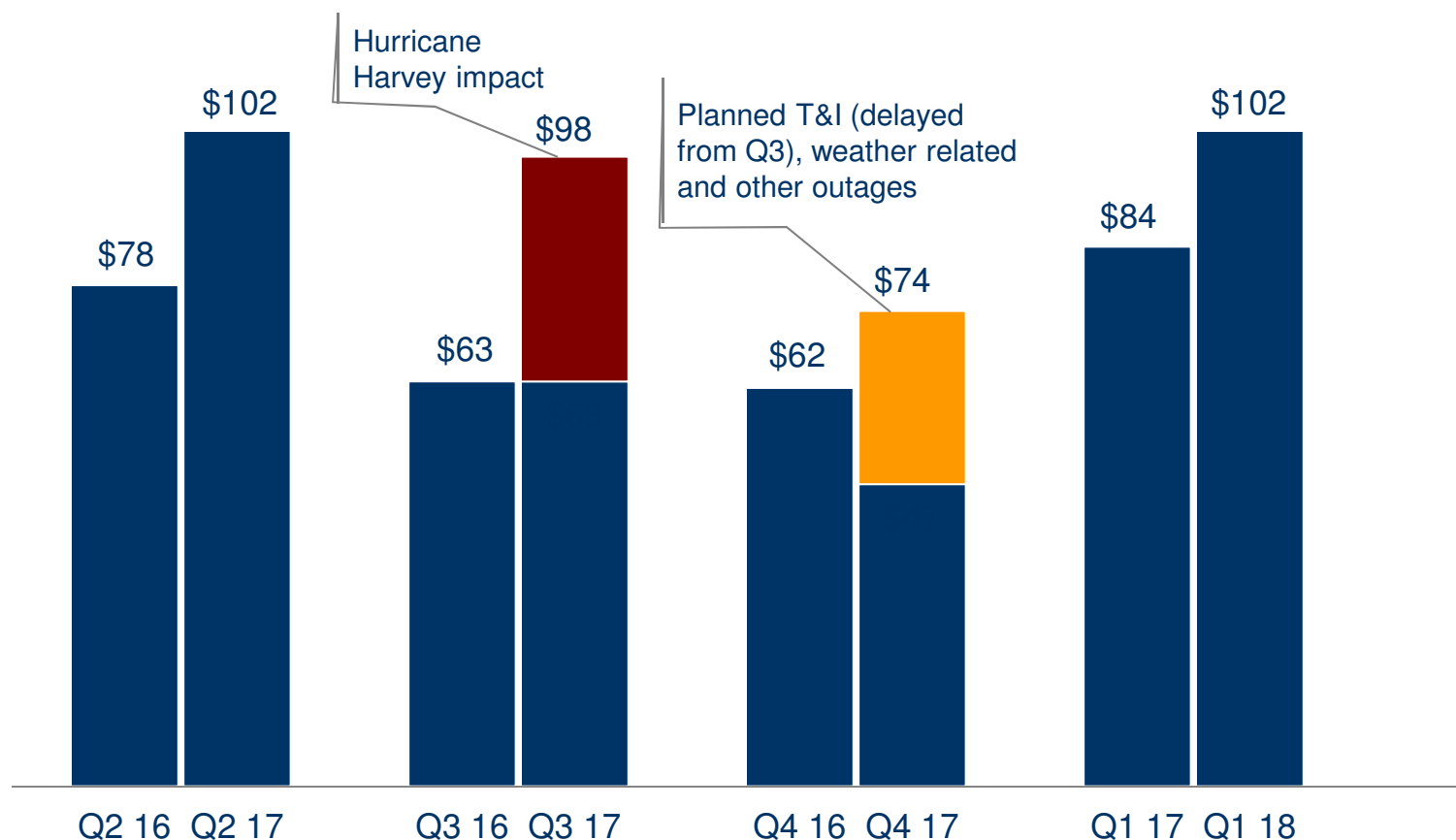


- High cost global naptha versus low cost USGC ethane - \$100mm delta
- Harvey impact of \$14mm

# Derivatives Business Driving Growth

## Year over Year EBITDA Comparison

\$ in millions

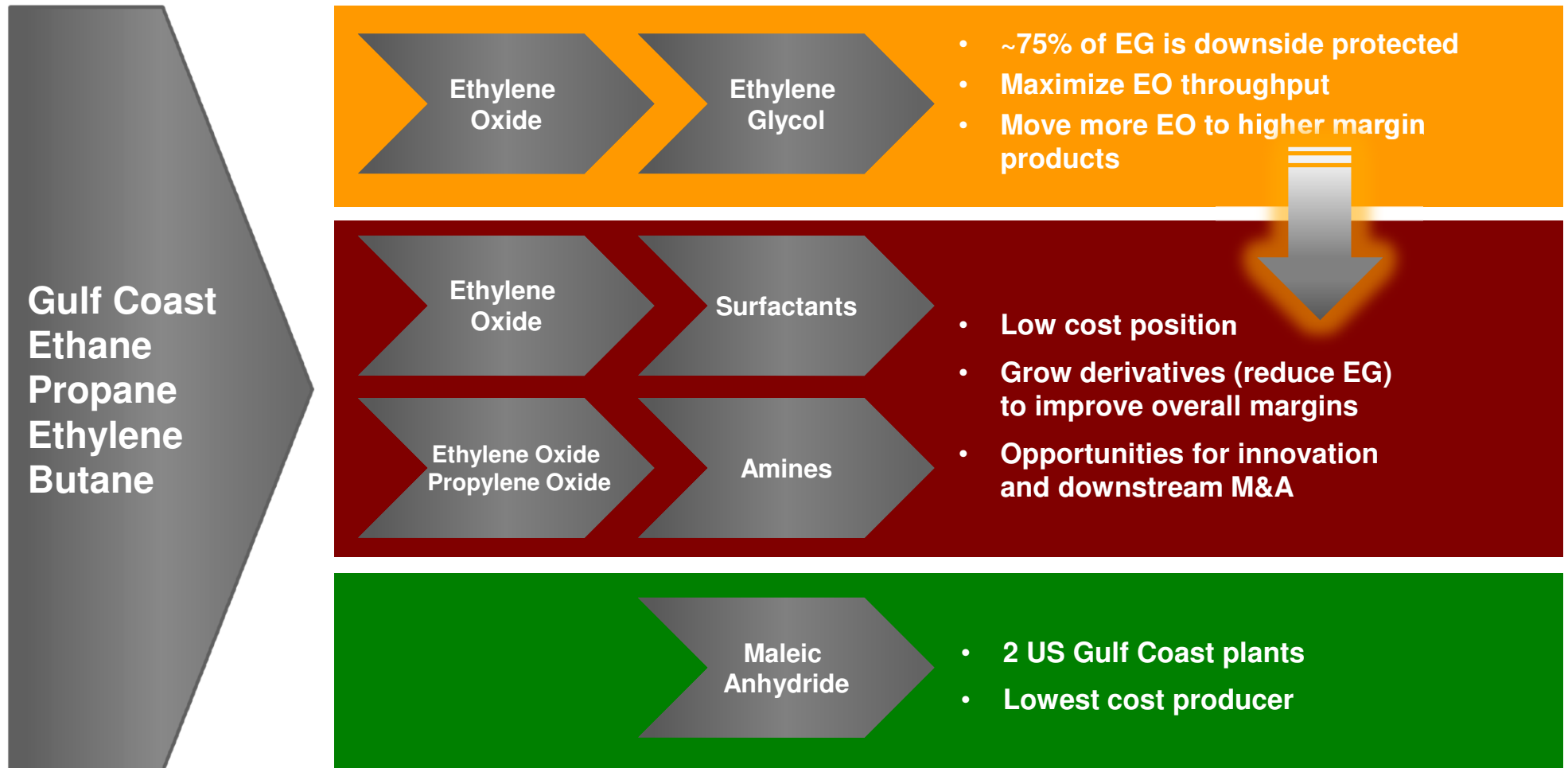


- Sequential Q over Q improvement for last four quarters
  - Volume growth
  - Improved derivative margins
  - Contained fixed costs
- Capitalizing on megatrends in key markets

Note: 2016 excludes European surfactants business, sold December 2016

# Competitively Integrated Value Chain

## Gulf Coast Advantage



**Two-thirds of global revenue from products produced in Gulf Coast Region**

**>40%**  
of EBITDA

# Amines

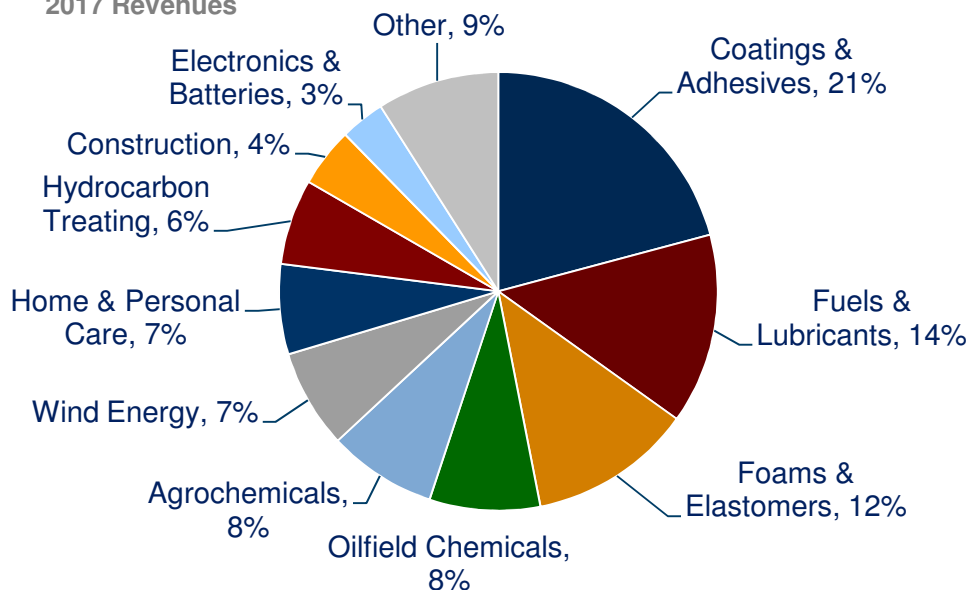
## Poised for Growth

### Worldwide Leader in Amines

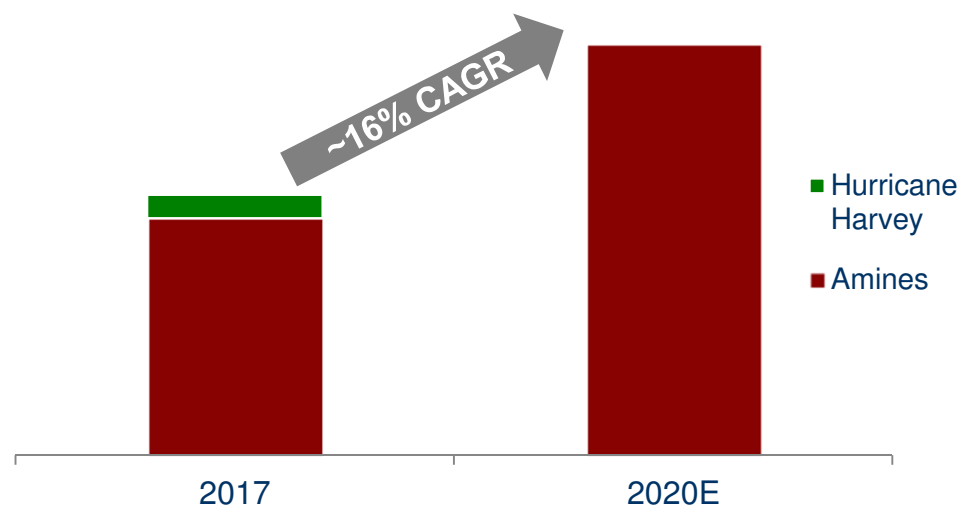
- Amines growth well supported by macro trends in light-weighting, clean air and energy efficiency
- Broadest product offering and largest global marketer of amines
- Global manufacturing footprint
- Investing in product development and market applications
- Available capacity for growth

### Amines Markets

2017 Revenues



### Amines EBITDA





**~25%**  
of EBITDA

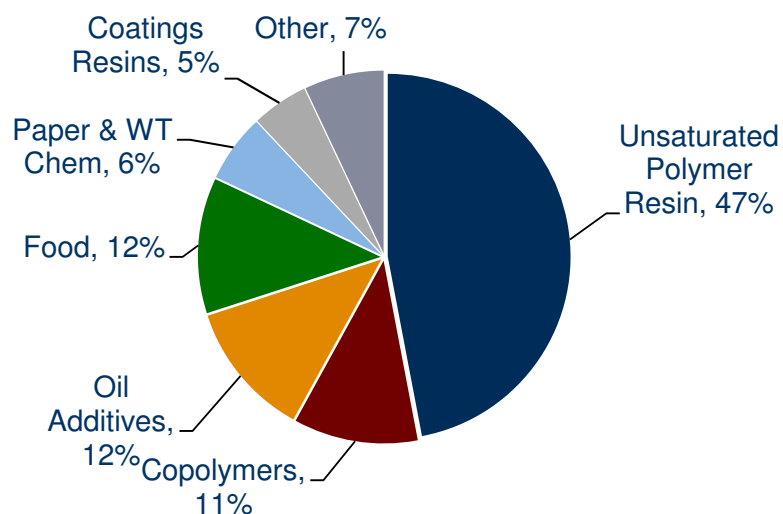
# Maleic Anhydride

A Stable, High-Margin Business with Downstream Opportunities

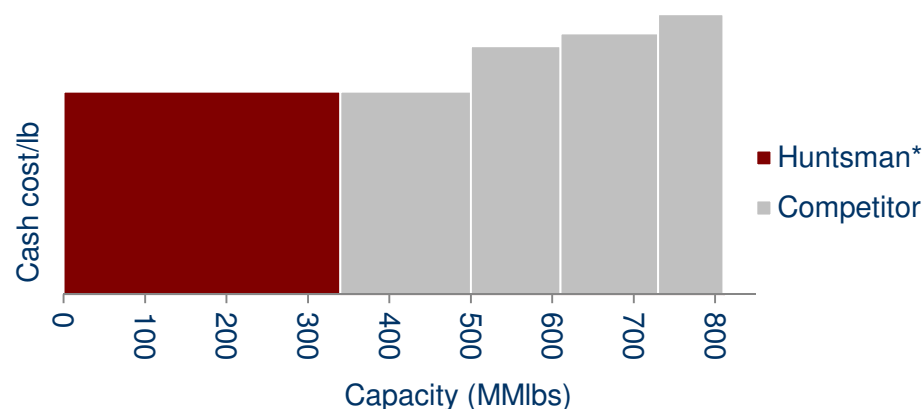
## Worldwide Leader in Maleic

- World's largest maleic producer and merchant seller; 12% global market share, >40% in North America and EU
- Global technology leader, licensor and catalyst provider
- Low-cost producer in North America and EU
- Strong 2017 growth in UPR and specialty markets leading to balanced supply / demand conditions in Americas and Europe
- Free cash flow conversion of ~75%

## Maleic Markets



## Low-Cost US Producer



\* Total capacity and average cost of two US plants

Source: Management Estimates

**~15%**  
of EBITDA

# Surfactants

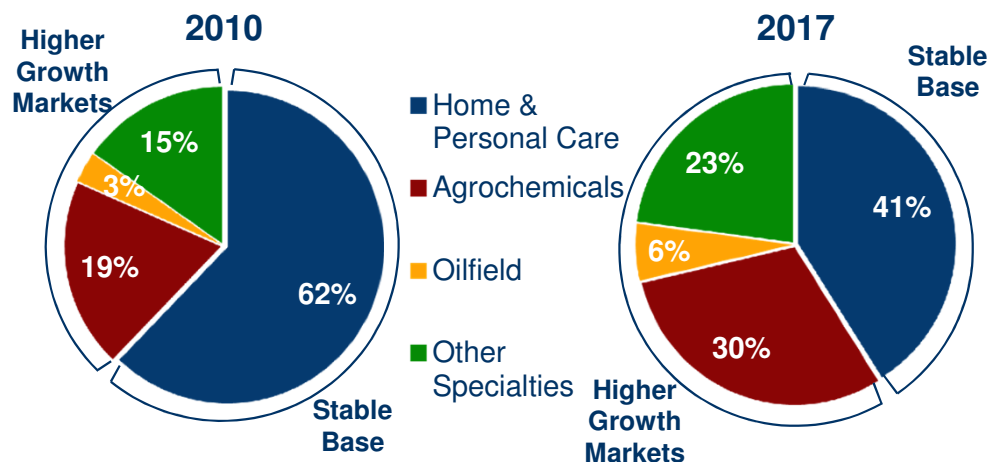
In Recovery, with Focus on Downstream Growth

## Integrated, Low-Cost Player

- Specialty Surfactants growth underpinned by demand increase in fracking, food production and clean fuels
- Assets in North America, Australia and India serving global markets; integrated to ethylene and EO in US and EO in Australia
- Highest feedstock flexibility in alcohols gives lowest cost throughout cycle
- Ample EO capacity to support strong growth in specialty markets

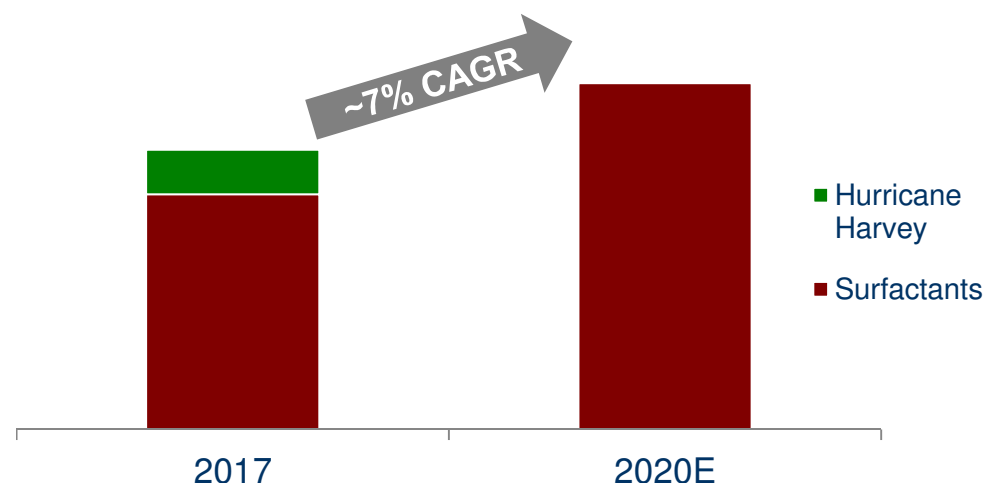
## Surfactants Markets

Sales Revenue



2010 includes European surfactants businesses sold to Innospec and Wilmar

## Surfactants EBITDA



# Performance Products Innovation

## Delivering Functionality to Meet Market Needs

- Marketing-led R&D with extensive customer collaboration
- 160 R&D professionals at seven centers across the globe
- 175 new uses across 20 markets launched annually

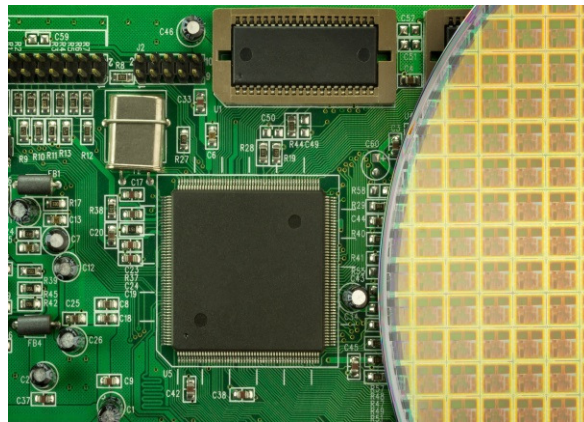
## Market-Specific Examples

### Improving flow of crude oil



JEFF-FLOW™ oilfield flow assurance products help maintain flow of crude oil by preventing solids formation and plugging.

### Faster computing power



e-Grade® high-purity amines for use in semi-conductor manufacturing processes enable production of higher resolution chips.

### Reducing emissions from fuels and industrial operations



JEFFTREAT® and DGA Agent® gas treating amines help refineries to more effectively capture sulfur from off gases to reduce atmospheric emissions.

**~10%**  
of EBITDA

# Improving Performance of Agrochemicals

## Macro Trends

- Population growth and increased demand for better diets
- Industry consolidation
- Proliferation of herbicide-resistant seeds
- Accelerating development of seed/herbicide systems

**~6%**  
Market Growth  
Rate

**~8%**  
HUN Growth  
Rate

## Huntsman Advantage

- Global footprint supports market growth
- Well positioned with industry consolidators
- Innovation leading to improved pest control delivery systems
- Ability to innovate and gain approvals on new products



**Products: Amines, Surfactants and Maleic Anhydride**



**~10%**  
of EBITDA

# Clean Fuels and High Performance Lubricants

## Macro Trends

- Increasingly stringent emission standards and better fuel economy requirements
- Higher performing engines require higher performing lubricants
- Rapid rise in vehicle ownership in developing countries

**~3%**  
Market Growth  
Rate

**~6%**  
HUN Growth  
Rate

## Huntsman Advantage

- We produce key intermediates used for high performance lubricants
- A well-established history with multinationals as the leader in polyetheramines; favored by new engine technology



**Products: Amines, Surfactants and Maleic Anhydride**



# Reducing Oilfield Production Costs

## Macro Trends

- Crude price supports production growth
- Fracking costs have fallen below \$20/bbl
- Advances in fracking technology create demand for new products
- Drive to reduce production costs favors flow assurance chemicals

~6%  
Market Growth  
Rate

~8%  
HUN Growth  
Rate

## Huntsman Advantage

- Diverse portfolio of products covering all key segments of oilfield market; strong in flow assurance
- Commercializing new products that reduce production costs
- A well-established history of joint development projects with major oilfield service companies
- R&D solutions for unique oilfield challenges

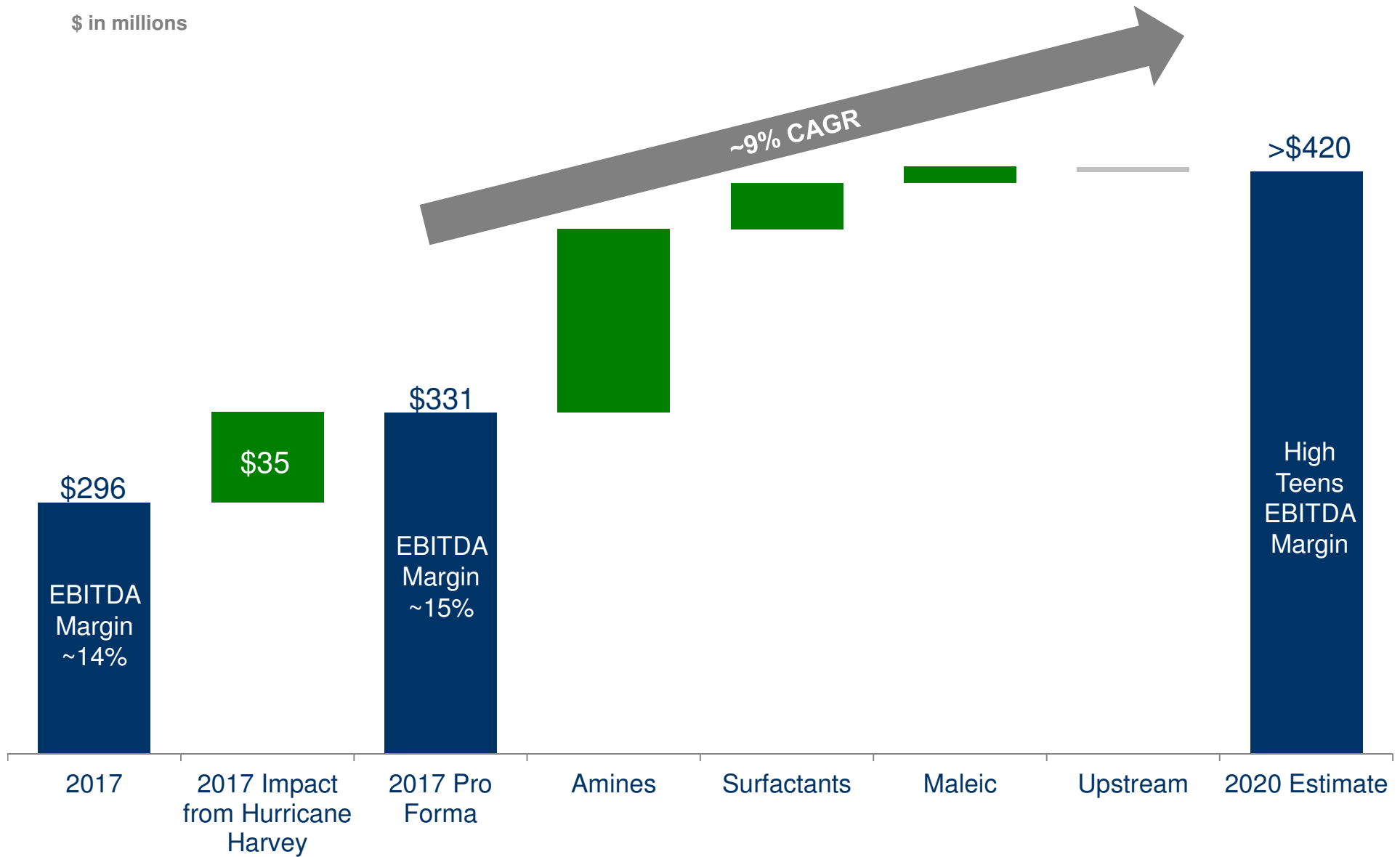


**Products: Amines, Surfactants and Maleic Anhydride**

# 2020 Earnings Target Bridge

## Adjusted EBITDA

\$ in millions





# Key Takeaways

Sustainable EBITDA growth underpinned by macro trends in our key markets

Leverage low-cost upstream USGC position across products globally

Robust innovation pipeline leading to significant downstream growth

Poised to deliver >10% EBITDA growth in derivatives

## 2020 Targets

1.5x GDP  
Derivatives  
Volume Growth

>\$420mm  
EBITDA  
~9% CAGR

High teens  
EBITDA  
Margins

~60%  
Free Cash Flow  
Conversion



Enriching lives through innovation

# Q&A

Monte Edlund

*Division President*

*Performance Products*



Enriching lives through innovation

# Textile Effects

Rohit Aggarwal

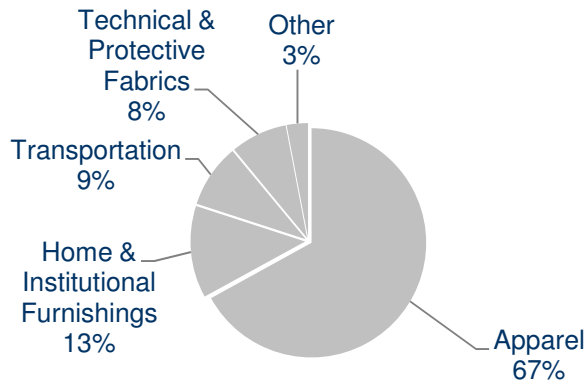
*Division President*

# Textile Effects

## End Markets

2017 Revenues

Source: Management Estimates



■ Consumer 100%

## 1Q18 LTM

Revenues

**\$0.8**

billion

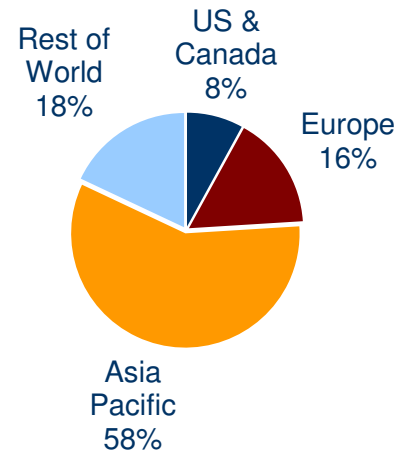
Adjusted EBITDA

**\$88**

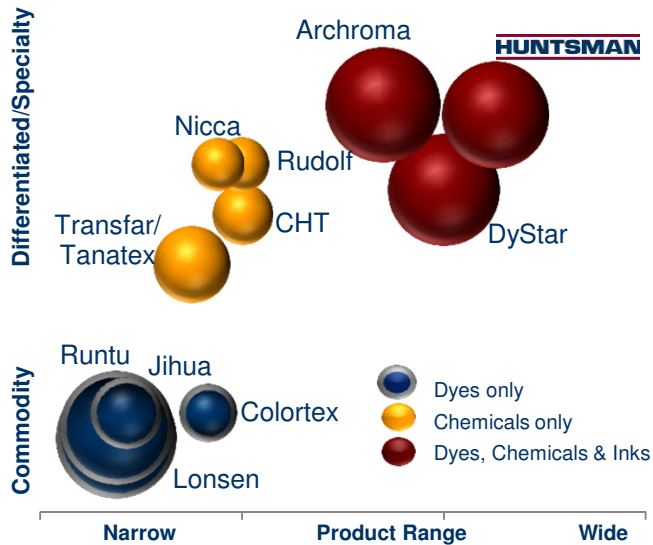
million

## Revenues

2017 Revenues

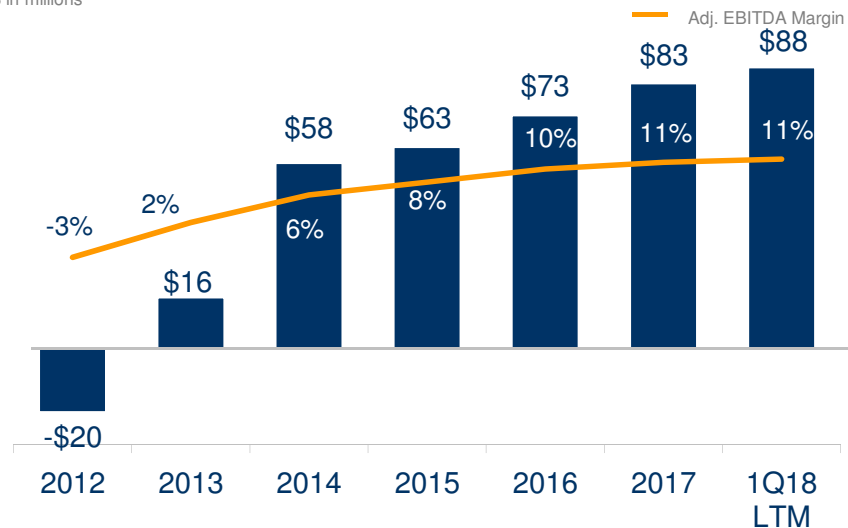


## Competitive Landscape



## Adjusted EBITDA History

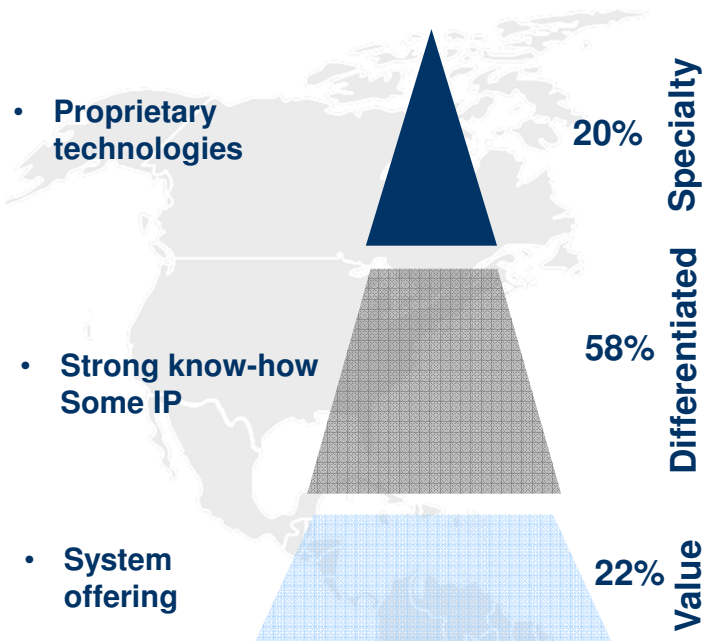
\$ in millions



**HUNTSMAN**

Textile Effects

# Innovation Driven, Specialty Focused



- ~80% of portfolio is specialty and differentiated
- Superior geographical footprint
- Leadership in environmental solutions

**800**

Enforceable patents

**200**

Products launched last 5 years  
15% of sales revenue

**6**

Global manufacturing facilities

**13**

Formulation centers

**4**

Global R&T centers

**12**

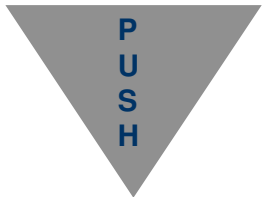
Technical service labs



# Textile Industry Growth Drivers

## Macro Trends – Environmental Focus

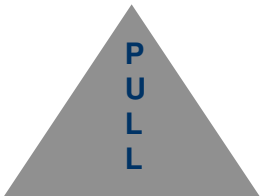
### Legislation



- **Increased regulatory enforcement**

- China cracks down on chemical and textile polluters
- New Chinese Environmental Protection Tax effective 1/1/18
- India's key garment export hub Tirupur faces intense government pressure due to water scarcity
- Bangladesh Water PaCT Partnership for Cleaner Textiles driving clean technologies and water reduction for Brands
- Vietnam implementing stricter regulations

### Brands



ZARA



- **Brand driven requirements and demands**

- Brands demand products with clean chemistries
- Water scarcity mentioned as the most serious environmental challenge facing the global textile industry<sup>(1)</sup>

### NGOs



- **Increased NGO<sup>(2)</sup> pressure/activism**

- Detox committed companies now represent 15% of worldwide textile production

<sup>(1)</sup> Ecotextile News – interview of 50 senior Textile industry stakeholders incl Inditex-Zara, Adidas, Puma, Benetton, H&M

<sup>(2)</sup> Non-Government Organizations

**Driving Strong Demand for Sustainability Solutions**

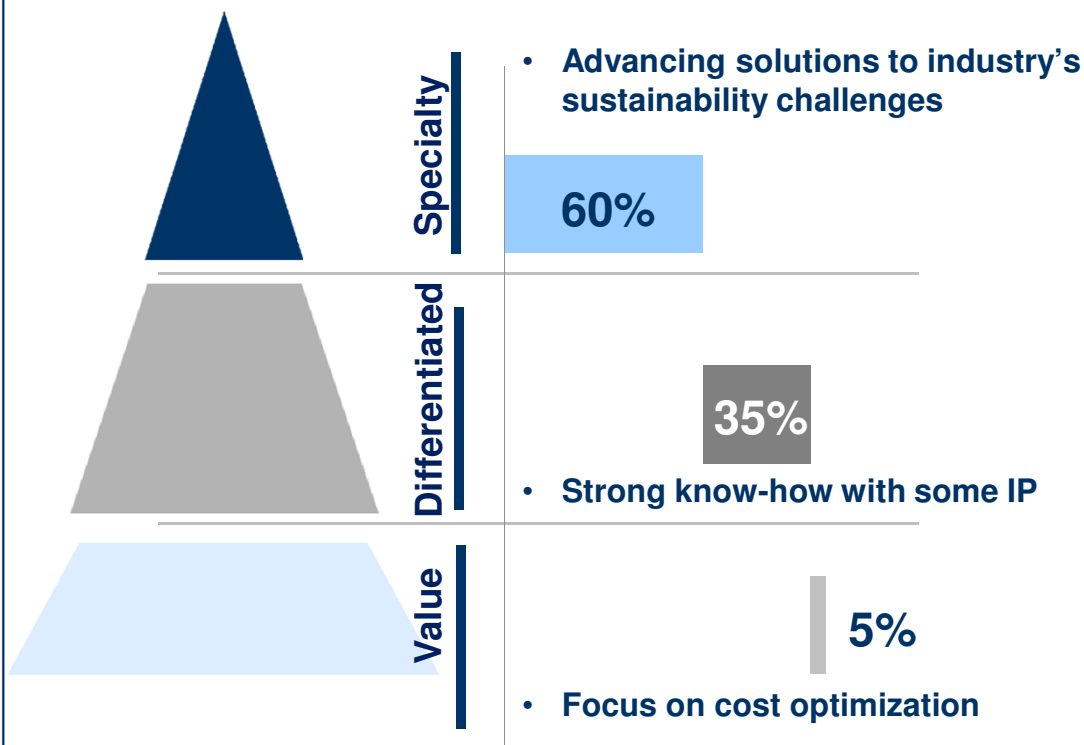
# Huntsman Technologies Aligned to Macro Trends

Macro Trend	Huntsman Example	Brand Partners	Volume CAGR 2015-2017
Water and energy	 <p>AVITERA® SE</p>	 <p>POLO RALPH LAUREN IKEA</p>	+53%
Cleaner chemistries	 <p>Non-FC PHOBOTEX® &amp; ZELAN®</p>	<p>Leading the transition to specialty non-fluorochemical solutions</p>  <p>adidas® NIKE</p>	+49%
Zero Discharge	 <p>HIDI NOVACRON® XKS HD</p>	<p>Pioneer and leader in digital inks</p>  <p>ZARA H&amp;M</p>	+35%
Growth in synthetics	 <p>TERASIL®</p>	<p>Specialty solutions for synthetic fast growing athleisure market</p>  <p>UNDER ARMOUR</p>	+9%

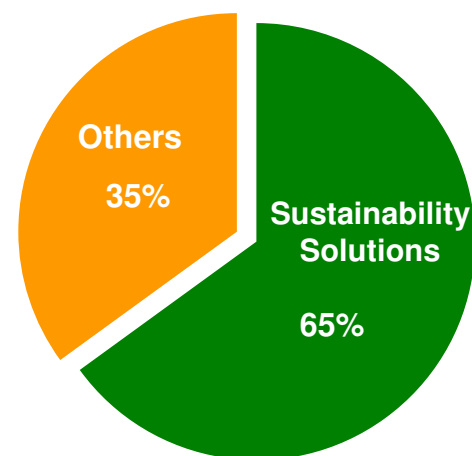


# Leaders in Innovation and Sustainability

## New Product Pipeline



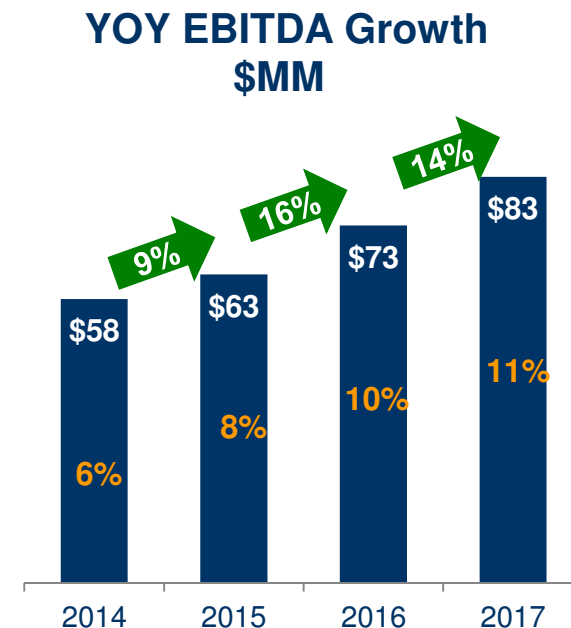
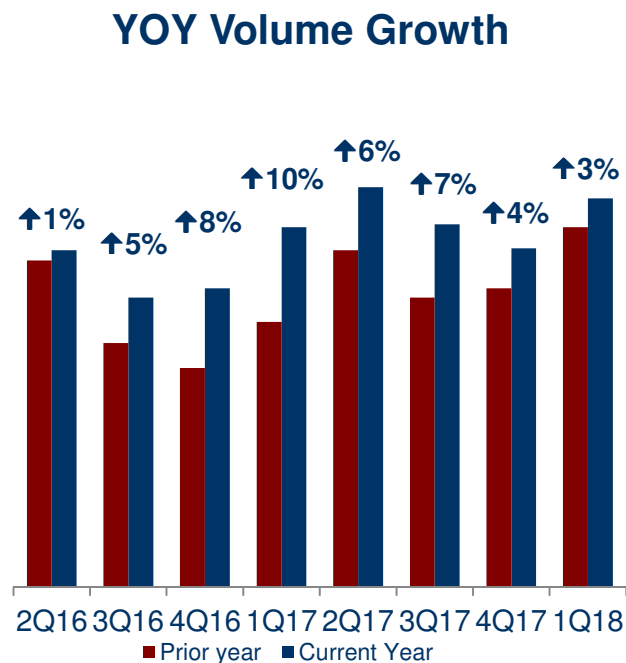
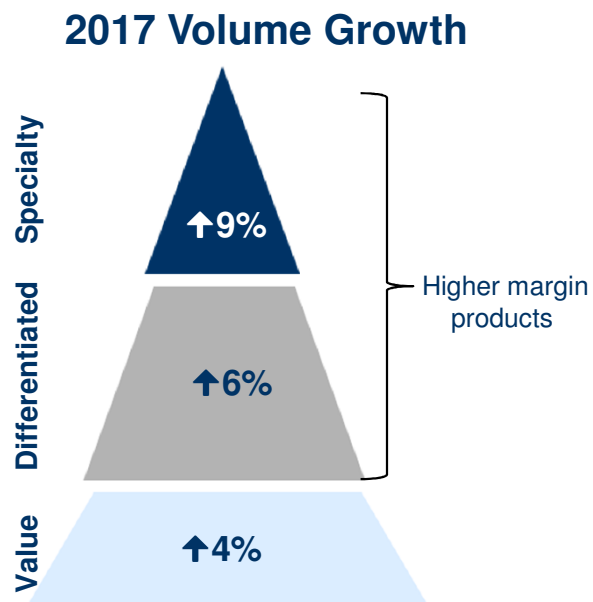
## Driven by Macro Trends



**Strong pipeline delivering ~15% new revenue in Specialty and Differentiated portfolio**

# Delivering Sustainable Performance

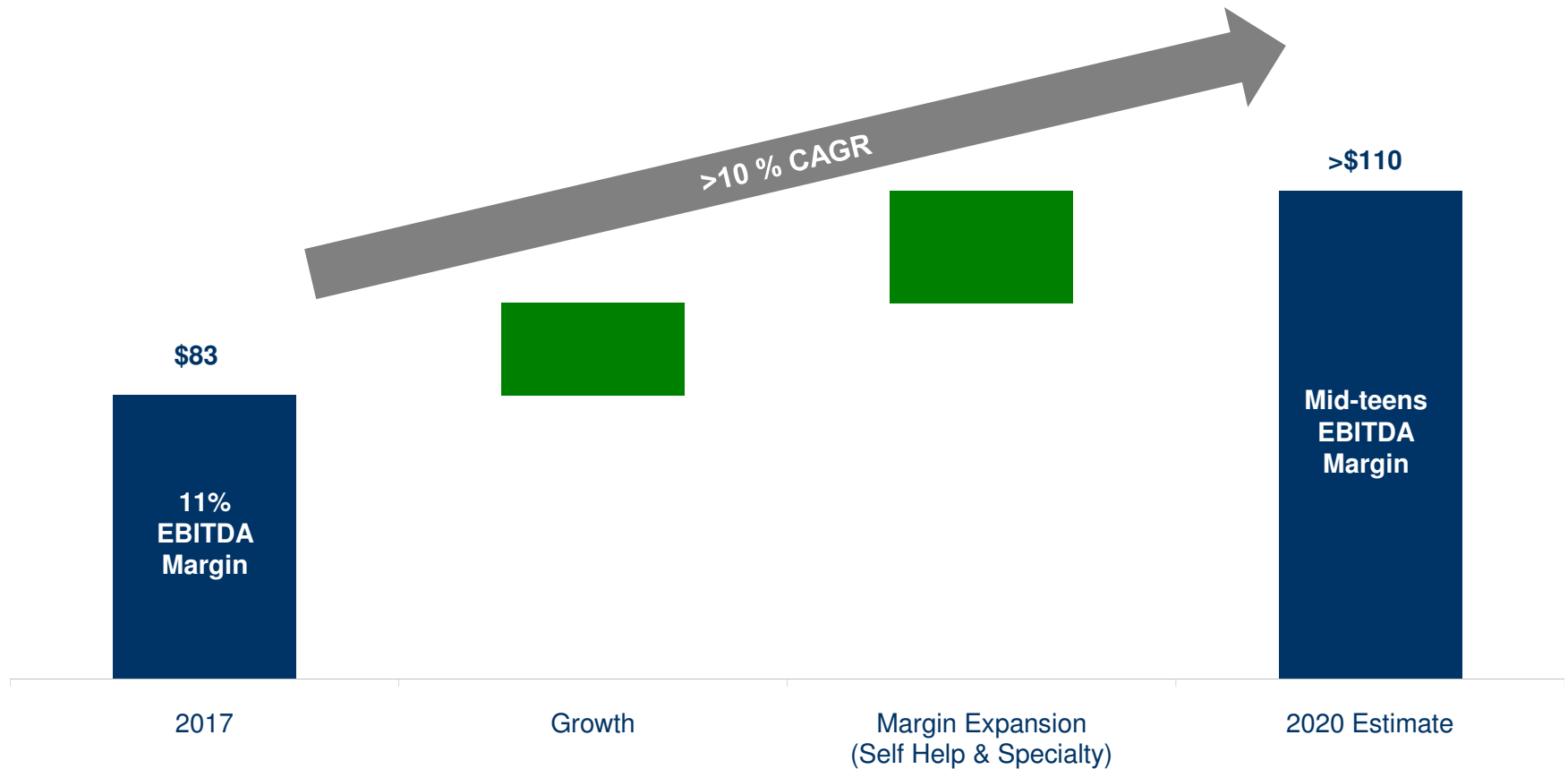
Consistent Profitable Growth



**Restructuring completed**  
**Positioned for growth and cash generation**

# 2020 Earnings Target Bridge

Adjusted EBITDA in millions



# Key Takeaways

Leader in environmental solutions driving growth

Margin expansion through Specialty and Differentiated growth

Innovation driven, asset light and cash generating

## 2020 Targets

~2x  
GDP  
Growth

>\$110mm  
EBITDA  
(>10% CAGR)

Mid-teens  
EBITDA  
Margins

>50%  
Free Cash Flow  
Conversion



Enriching lives through innovation

# Q&A

Rohit Aggarwal

*Division President*

*Textile Effects*



Enriching lives through innovation

# Financial Overview

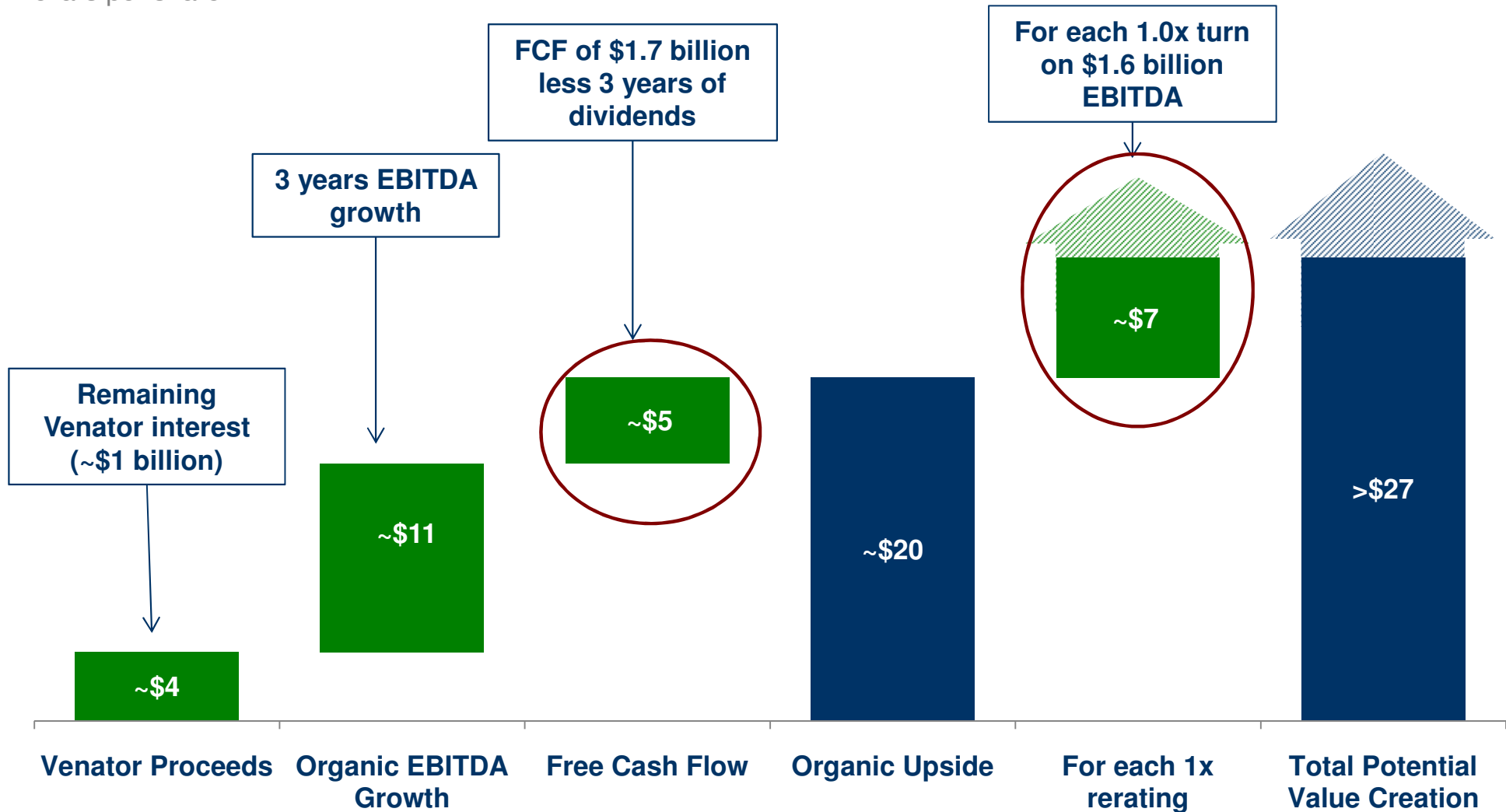
Sean Douglas

*Executive Vice President*

*Chief Financial Officer*

# Significant Value Creation Upside

Dollars per share

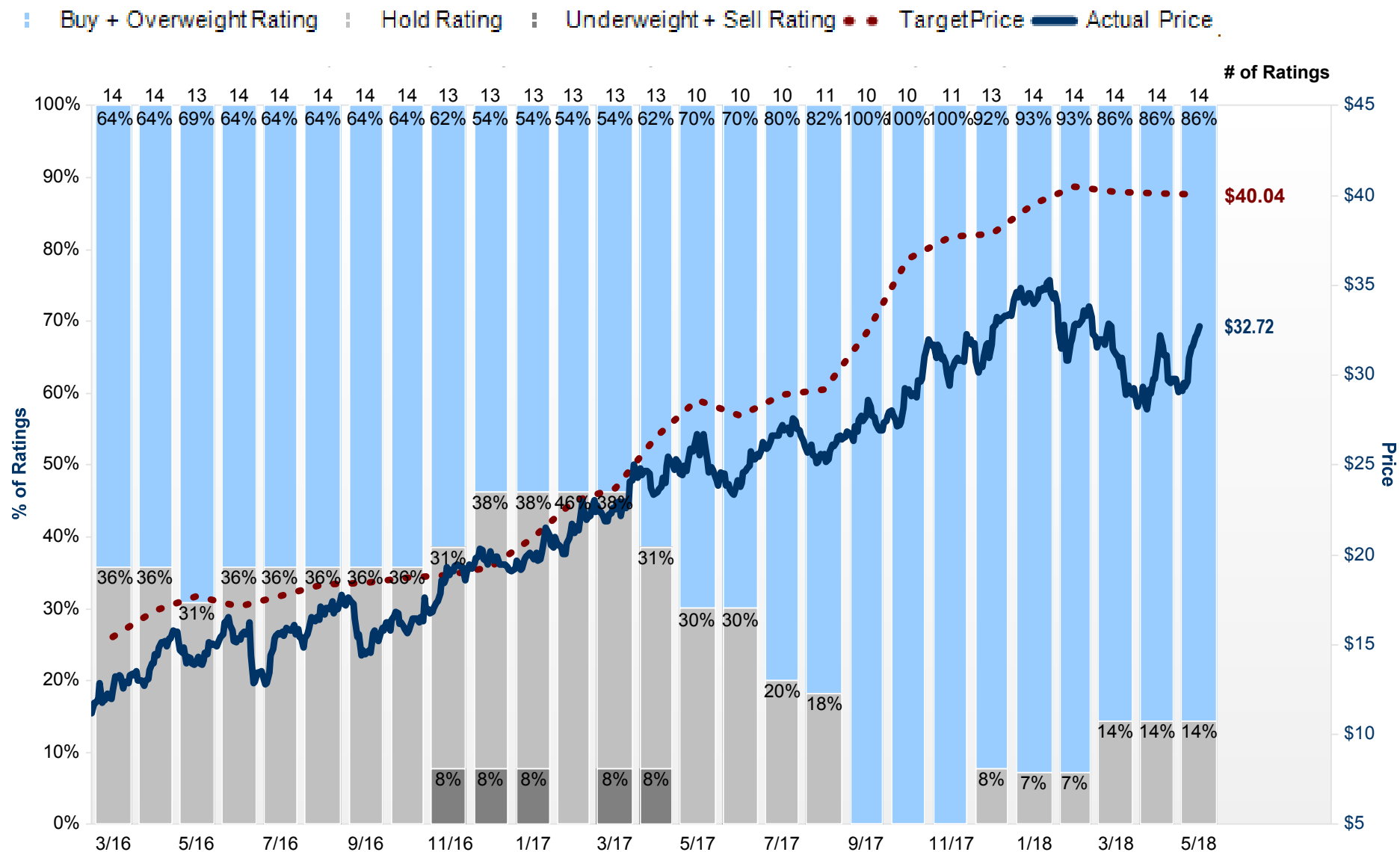


**>\$27 per Share in Potential Value Creation**



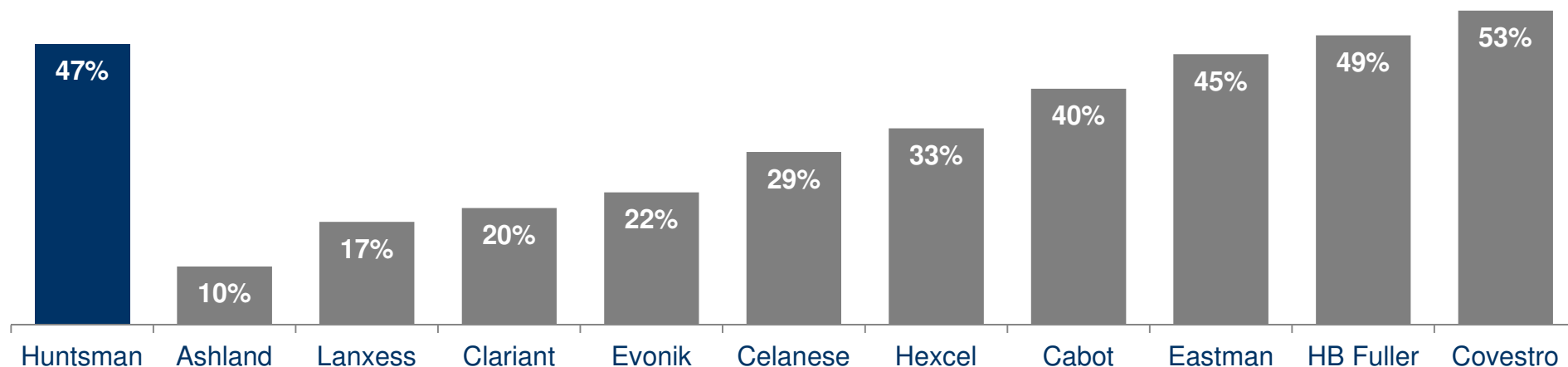
# Significant Progress Since Last Investor Day

## Consensus Shows Significant Upside

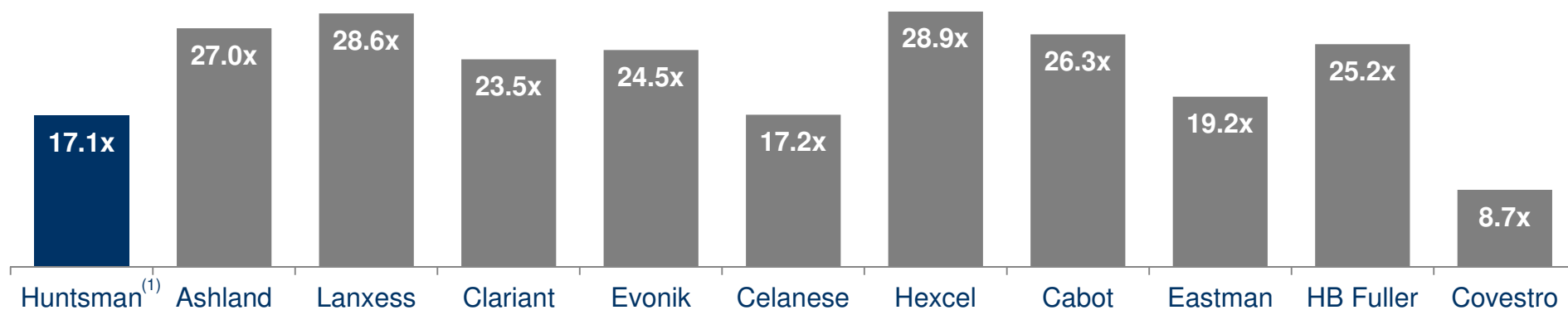


# Huntsman's Consistent Cash Generation is Underappreciated

## 2017 Free Cash Flow Conversion



## EV / NTM Free Cash Flow



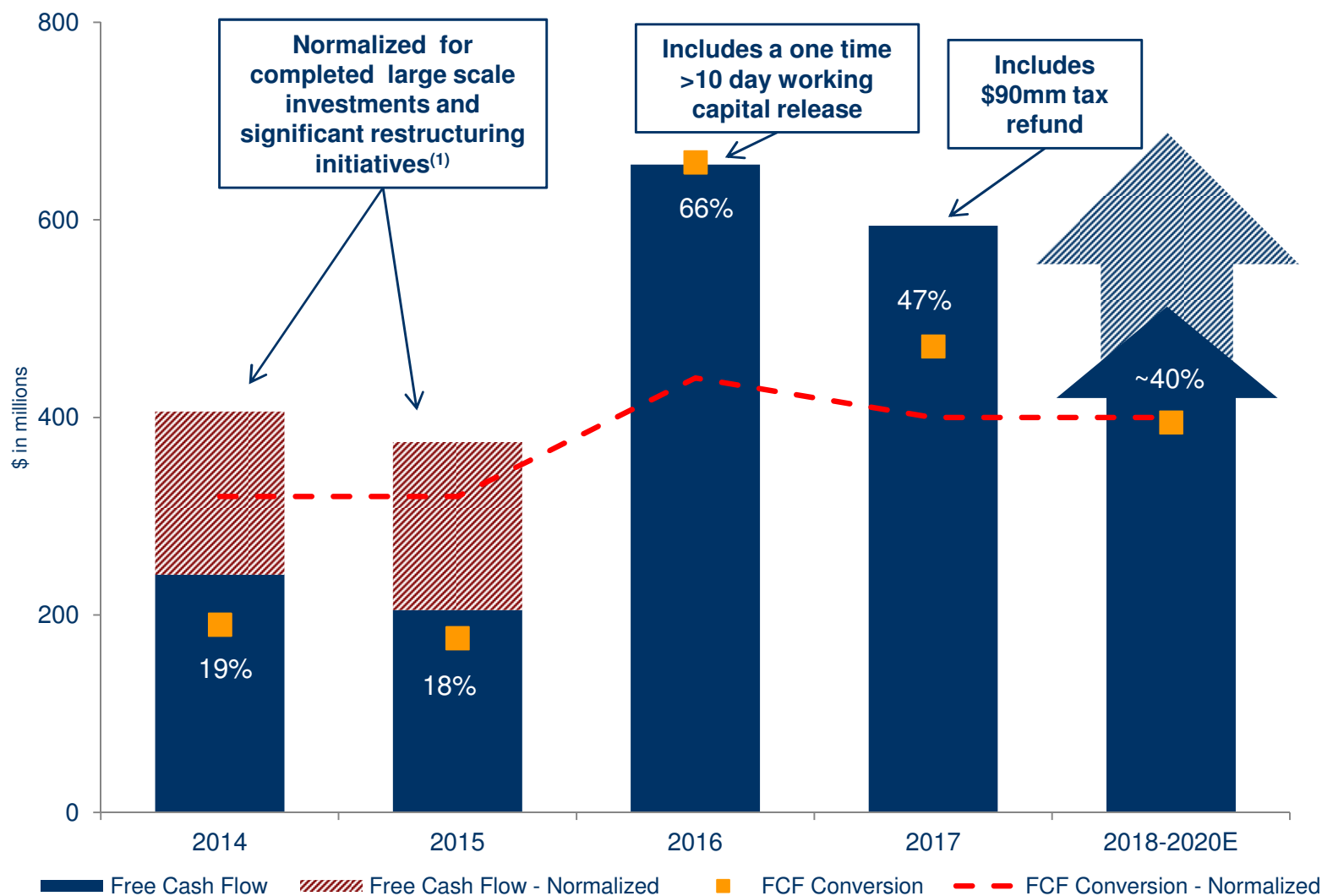
<b>FCF Yield:</b>	<b>8.2%</b>	<b>5.7%</b>	<b>5.5%</b>	<b>5.2%</b>	<b>5.0%</b>	<b>7.3%</b>	<b>4.0%</b>	<b>4.7%</b>	<b>7.6%</b>	<b>7.6%</b>	<b>11.3%</b>
-------------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	--------------

Source: FactSet

(1) Adjusted to exclude VNTR non-controlling interest.

# Consistent Strong Free Cash Flow Generation

Over \$1.2 Billion in Free Cash Flow Generated in 2016 & 2017



(1) Adjusted to reflect normalized levels of capital spending of \$325mm and restructuring of \$25mm

Note: Pigments & Additives excluded from all periods

## Divisional 2020 FCF Conversion

**PU**  
>70%

**PP**  
>60%

**AM**  
>75%

**TE**  
>50%

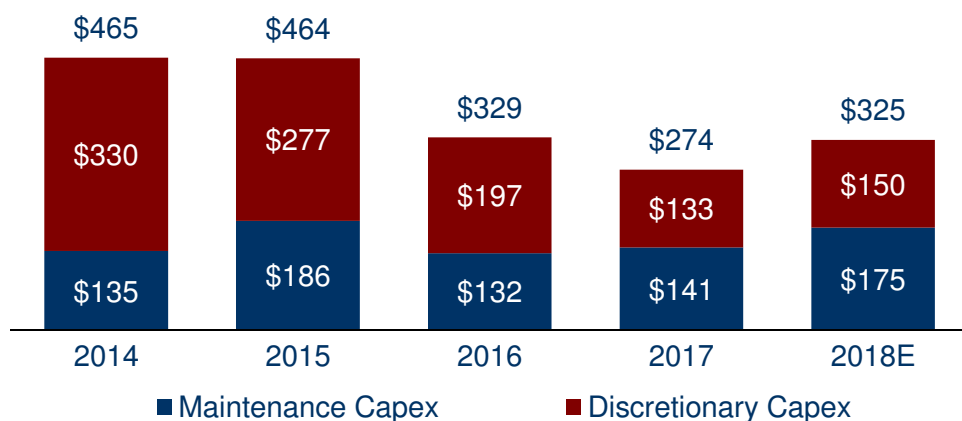
**Total**  
~40%

**~40% Normalized FCF Conversion**

# Discretionary Spending Repositioned for Downstream Growth with Lighter Capital Requirements

## Capital Spending

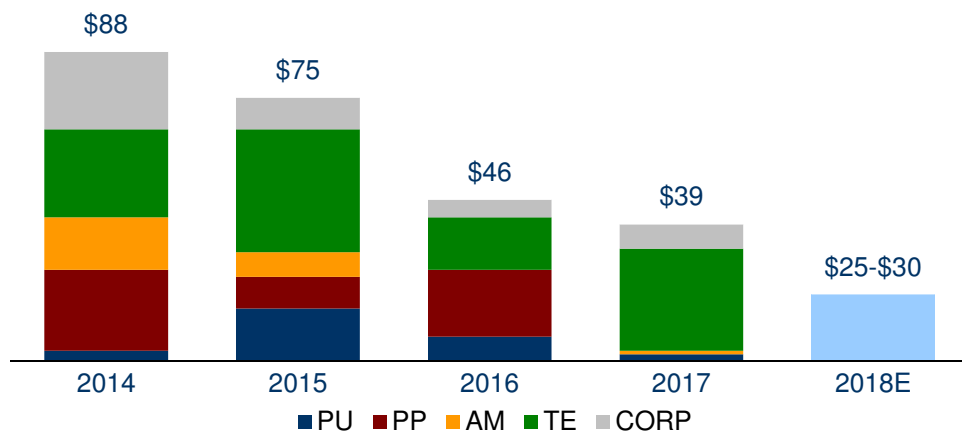
\$ in millions



- Discretionary spend is aligned with downstream growth strategy
- Future capital spending between \$325-\$375mm per year
- No foreseeable significant spend on new large scale upstream facilities
- No significant restructuring projected

## Major Restructuring Initiatives Successfully Completed

\$ in millions



Note: Pigments & Additives excluded from all periods

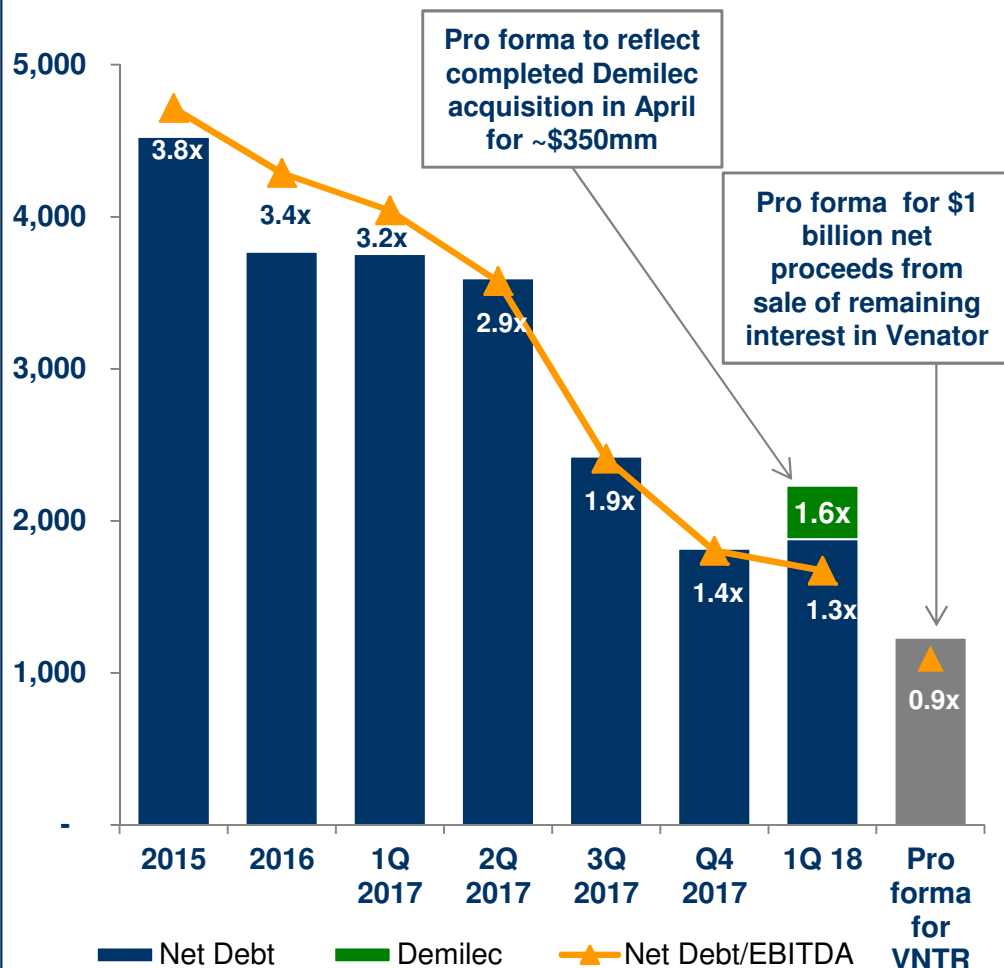
- Significant near-term planned maintenance
  - Q2 2018 – Ethylene/EO at Port Neches \$70mm
  - 1H 2020 – PO/MTBE at Port Neches \$75mm

# Transformation of Huntsman Balance Sheet

Investment Grade Profile Achieved and Sustainable

## Net Debt

\$ in millions



## New \$1.2B Investment Grade Revolver

- Unsecured
- 5 year commitment
- Expected completion in May 2018

## Rating Agency Status – One Notch Below

MOODY'S

Corporate Rating Ba1  
Outlook Positive

STANDARD & POOR'S  
RATINGS SERVICES  
McGRAW HILL FINANCIAL

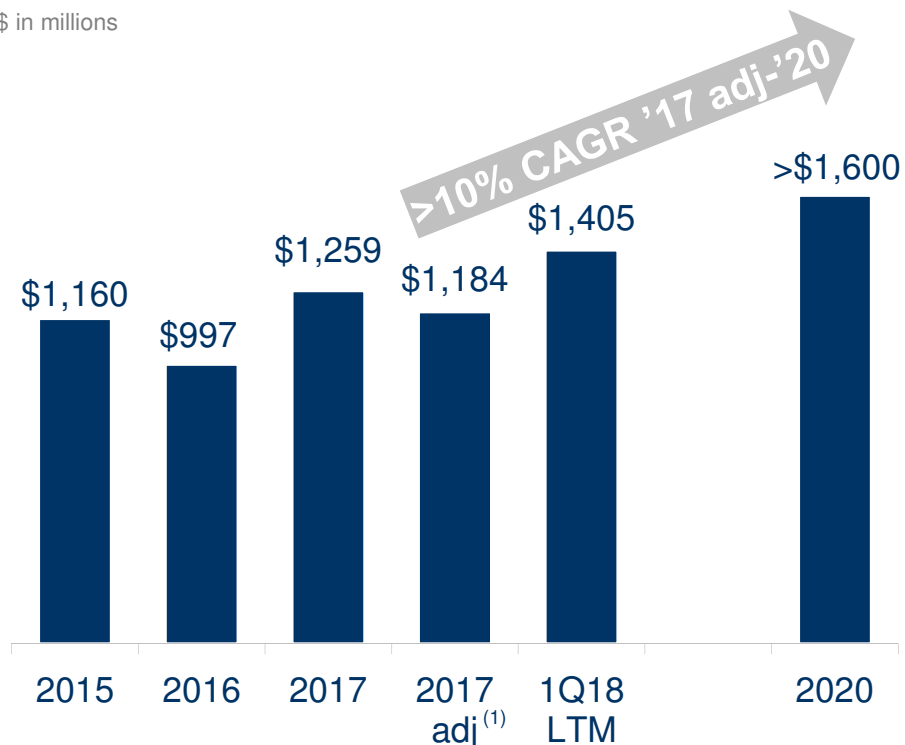
Corporate Rating BB+  
Outlook Positive

>\$2.6 billion in debt repayments since January 2016

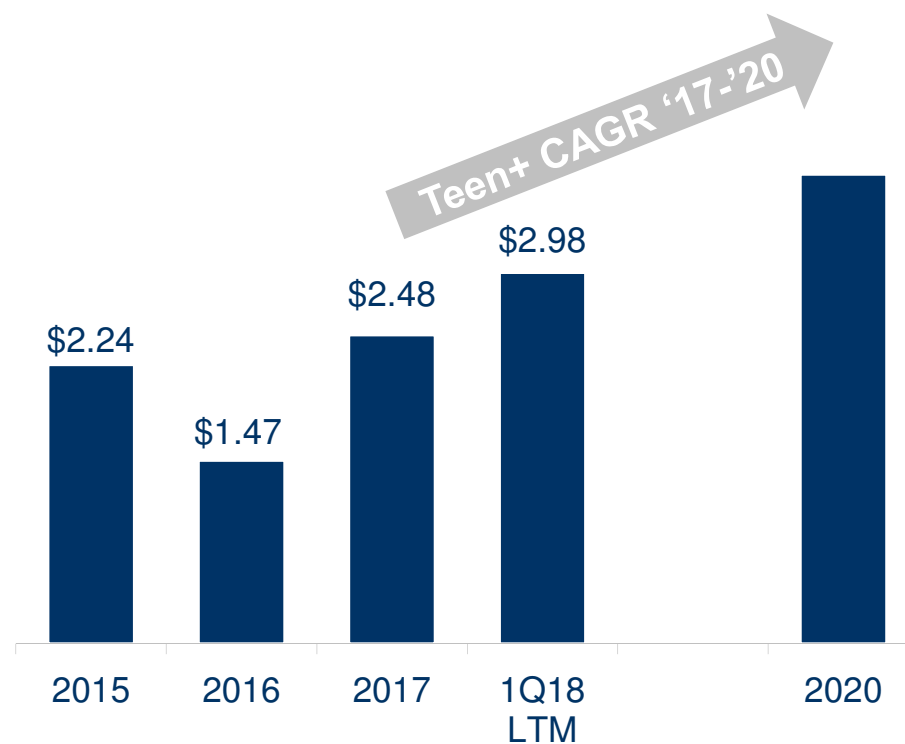
# Strong Earnings Growth

## Adj. EBITDA

\$ in millions



## Adj. Earnings per Share



(1) 2017 pro forma adjusted to exclude \$125M short-term spike in component MDI pricing and for \$50M impact from Hurricane Harvey

## Hypothetical Assumptions

- Based only on organic growth
- No additional M&A
- Current share count – no share repurchases included
- Unused cash, including Venator proceeds, used to reduce debt
- Effective adj. tax rate of 23%-25%



# Significant Value Creation Upside From Multiple Expansion

**And Consider Huntsman's 3 Year Outlook:**

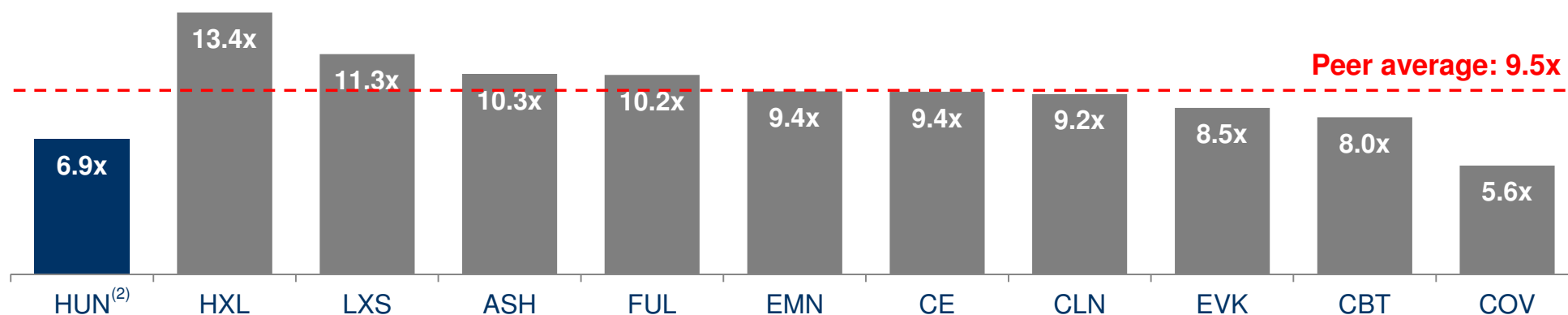
EBITDA CAGR >10%<sup>(1)</sup>

EPS CAGR Teen+

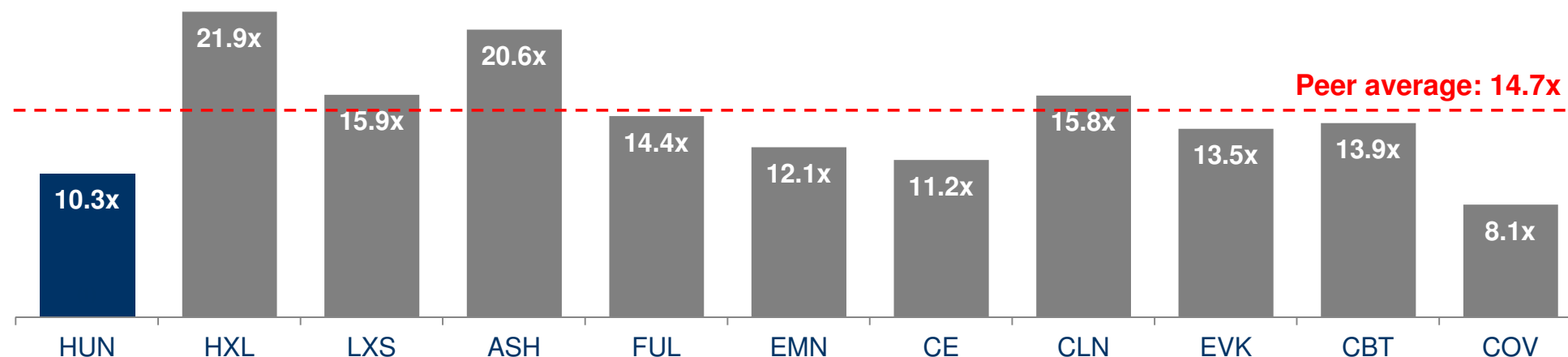
FCF Conversion ~40%

Maintain Investment Grade Profile

## EV / NTM EBITDA



## Price / NTM Earnings



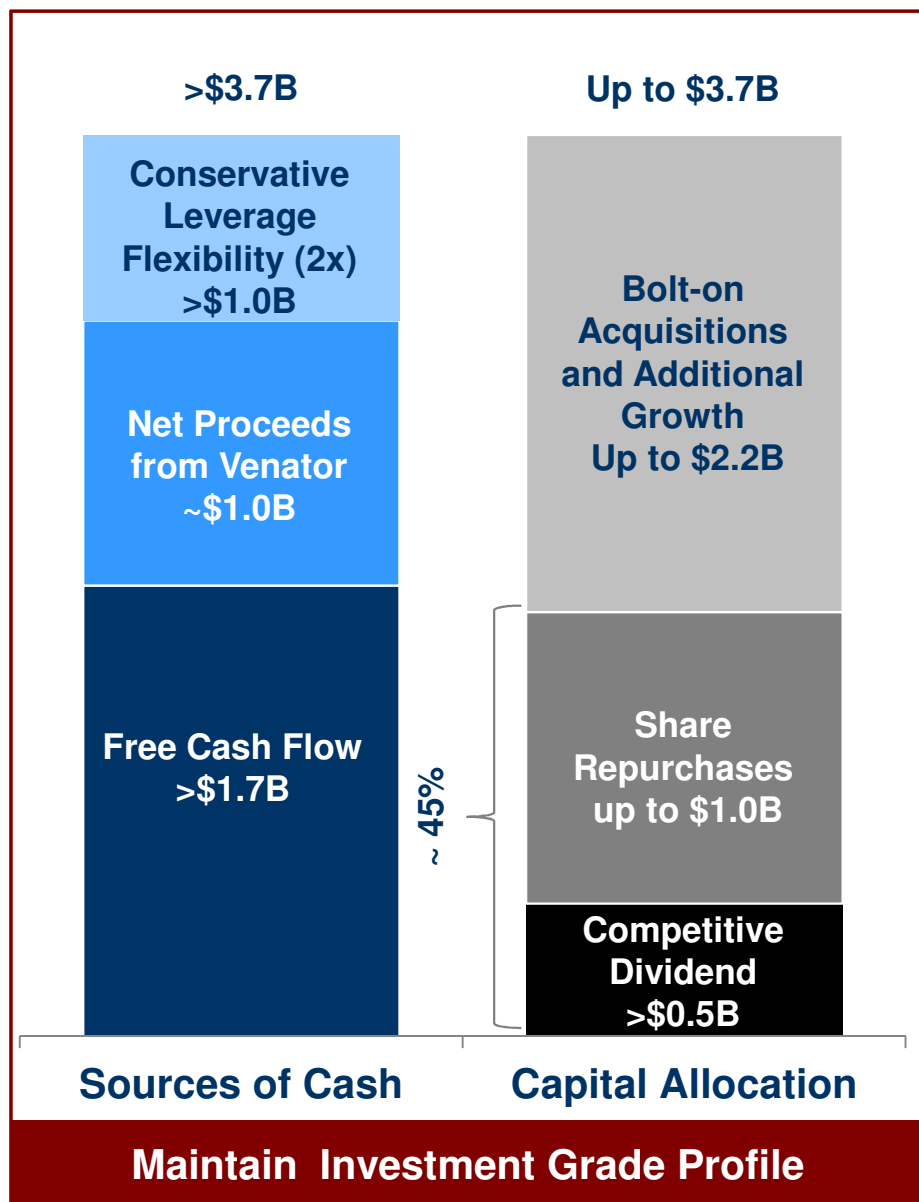
Source: FactSet

(1) 2017 pro forma adjusted to exclude \$125M short-term spike in component MDI pricing and for \$50M impact from Hurricane Harvey

(2) Adjusted to exclude VNTR non-controlling interest

# 2018 - 2020 Capital Allocation

## A Balanced Approach to Growth and Shareholder Returns



### Substantial sources of cash

- Free cash flow guidance:
  - 2018: \$500mm-\$650mm
  - 2019: \$500mm-\$700mm
  - 2020: >\$650mm
  - 3yrs total: >\$1.7 billion
- Net proceeds from monetization of remaining interest in Venator ~\$1.0 billion
- Conservative leverage flexibility (2x net debt leverage) >\$1.0 billion

### Balanced approach to capital allocation

- Capacity for up to \$2.2 billion in strategic bolt-on acquisitions and additional growth capital
- Strong shareholder returns
  - Maintain a competitive dividend
  - Opportunistic and systematic share repurchases of up to \$1.0 billion in shares over the next 3 years

# Key Takeaways

High single-digit EBITDA CAGR and teen+ EPS CAGR

Consistent strong free cash flow conversion

Investment Grade profile with commitment to Investment Grade rating

Balanced capital allocation for consistent and strong long-term shareholder return

Significant value creation upside with potential to increase share price by >\$27 by 2020

## 2020 Targets

>\$1.6B  
Adj. EBITDA  
(>10%\* CAGR)

>\$650mm  
Free Cash  
Flow

Teen+ EPS  
CAGR

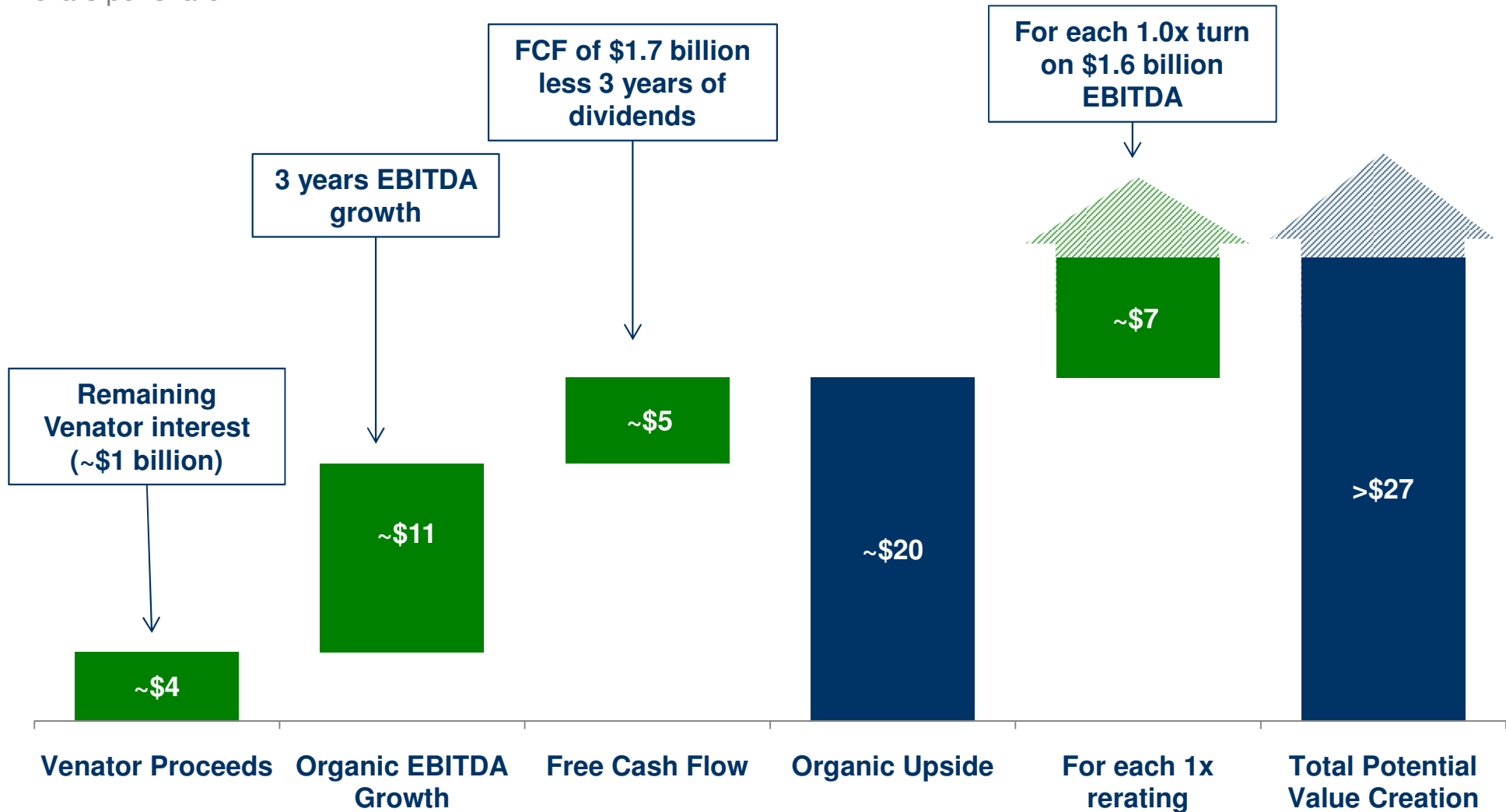
Balanced  
Capital  
Allocation

Maintain  
Investment  
Grade Profile

\* 2017 pro forma adjusted to exclude \$125M short-term spike in component MDI pricing and for \$50M impact from Hurricane Harvey

# Significant Value Creation Upside

Dollars per share



**>\$27 per Share in Potential Value Creation**



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## Q&A

**Peter Huntsman**

*Chairman, President*

*Chief Executive Officer*

**Sean Douglas**

*Executive Vice President*

*Chief Financial Officer*







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# Appendix



# Attractive Downstream Portfolio with Strong Growth Metrics

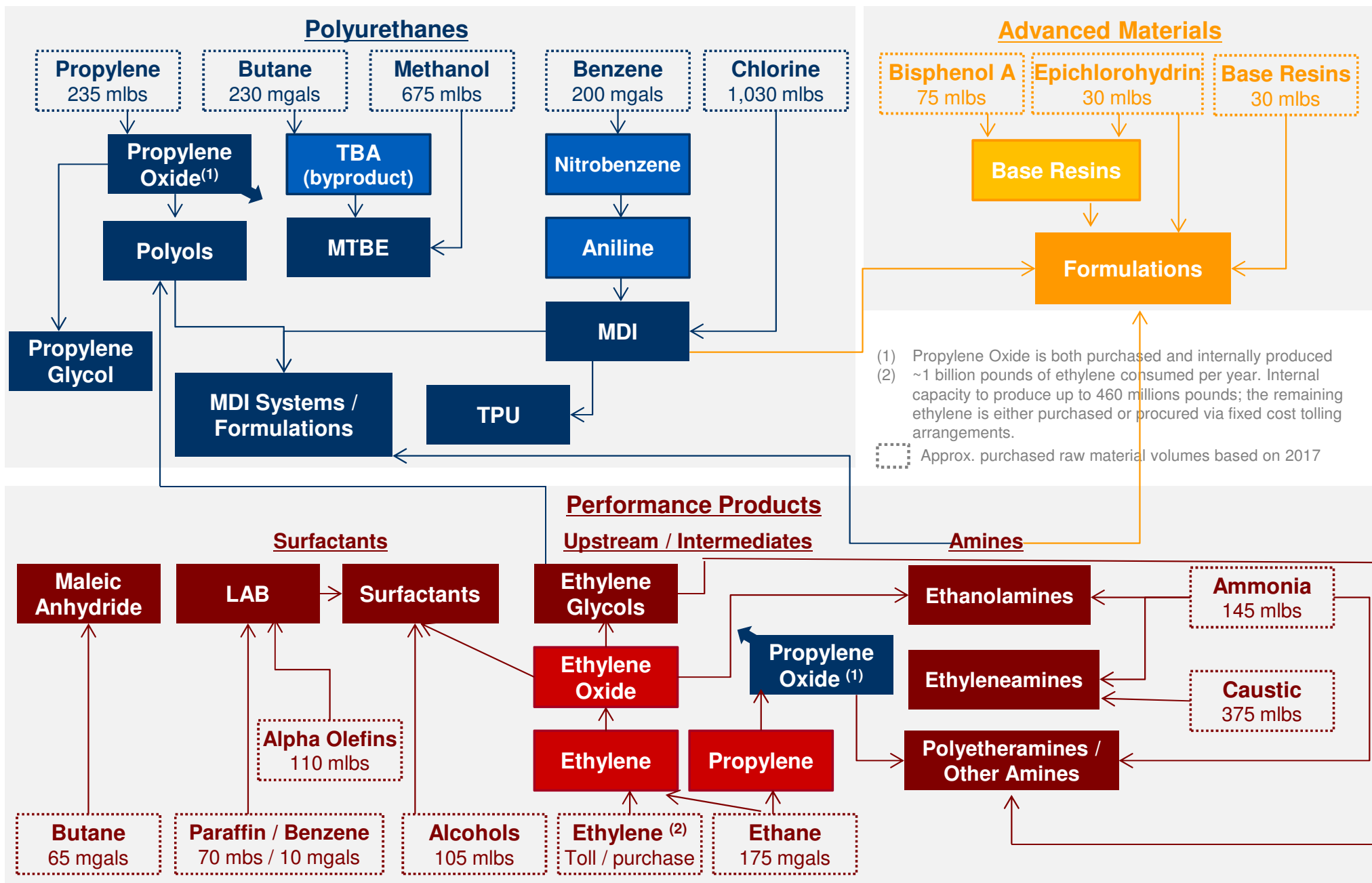
## 2020 Target Summary

			GDP Volume Growth	FCF conversion	EBITDA	EBITDA Margin
	<b>Polyurethanes</b>	<b>High growth through downstream substitution</b>	<b>2x MDI</b>	<b>&gt;70%</b>	<b>&gt;\$1 billion</b>	<b>~20%</b>
	<b>Performance Products</b>	<b>Margin expansion and growth through downstream derivatization</b>	<b>1.5x Derivatives</b>	<b>~60%</b>	<b>&gt;\$420 million</b>	<b>High Teens</b>
	<b>Advanced Materials</b>	<b>Growth and consistent margins in specialty effects</b>	<b>2.0x Specialty</b>	<b>&gt;75%</b>	<b>&gt;\$270 million</b>	<b>&gt;22%</b>
	<b>Textile Effects</b>	<b>Consistent growth through sustainable solutions</b>	<b>2x</b>	<b>&gt;50%</b>	<b>&gt;\$110 million</b>	<b>Mid Teens</b>
<b>Total HUN</b>				<b>~40%</b>	<b>&gt;\$1.6 billion</b>	<b>High Teens</b>

# Capital Structure

As of March 31, 2018 \$ in millions	Face Value	Book Value	Maturity	Coupon	Call Date	Rating	May 15, 2018 Price	Yield
<b>Cash and Cash Equivalents</b>	<b>\$453</b>	<b>\$453</b>						
<b>Total Net Senior Secured Debt</b>	<b>(269)</b>	<b>(269)</b>						
4.875% USD Senior Notes	650	648	Nov-20	4.875%	Aug-20	Ba1/BB+	102.50	3.70%
5.125% EUR Senior Notes	551	551	Apr-21	5.125%	Jan-21	Ba1/BB+	111.61	0.71%
5.125% USD Senior Notes	400	397	Nov-22	5.125%	Aug-22	Ba1/BB+	103.75	4.15%
4.25% EUR Senior Notes	372	369	Apr-25	4.250%	Jan-25	Ba1/BB+	114.96	1.84%
Variable Interest Entity Debt	105	105	Jan-22	--	--	--	--	--
Total Other Debt	81	81						
<b>Total Net Debt</b>	<b>\$1,889</b>	<b>1,881</b>	<b>Corporate Credit Ratings (outlook): Ba1 (positive) / BB+ (positive)</b>					
<b>LTM Adjusted EBITDA</b>	<b>\$1,405</b>	<b>1.3x</b>	<b>*1.6x - Pro forma for Demilec Acquisition</b>					

# High Level Product Flows & Key Raw Materials



# Adjusted EBITDA Reconciliation

(\$ in millions)

	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17
<b>Net Income</b>	\$ 62	\$ 94	\$ 64	\$ 137	\$ 92	\$ 183	\$ 179	\$ 287
Net income attributable to noncontrolling interests	(6)	(7)	(9)	(9)	(16)	(16)	(32)	(41)
<b>Net income (loss) attributable to Huntsman Corporation</b>	\$ 56	\$ 87	\$ 55	\$ 128	\$ 76	\$ 167	\$ 147	\$ 246
Interest expense, net	49	52	52	50	48	47	39	31
Income tax expense (benefit)	33	26	6	44	19	24	35	(14)
Depreciation and amortization	77	78	83	80	76	79	80	84
Interest, income taxes, depreciation and amortization in discontinued operations	17	35	23	14	33	50	34	37
Acquisition and integration expenses, purchase accounting adjustments	3	2	6	1	3	4	10	2
EBITDA from discontinued operations	6	(22)	(47)	(18)	(26)	(95)	(97)	(94)
Noncontrolling interest of discontinued operations	2	3	3	3	3	3	12	31
U.S. tax reform impact on Noncontrolling interest	-	-	-	-	-	-	-	(6)
Loss (gain) on disposition of businesses/assets	-	-	-	(97)	-	(8)	-	(1)
Loss on early extinguishment of debt	-	2	1	-	-	1	35	18
Certain legal and other settlements and related (income) expenses	-	-	-	1	-	1	-	(12)
Plant incident remediation costs	-	-	-	-	-	-	13	3
Expenses associated with merger	-	-	-	-	-	6	12	10
Amortization of pension and postretirement actuarial losses	14	14	14	13	19	17	19	18
Restructuring, impairment, plant closing and transition costs (credits)	2	17	38	(9)	9	3	1	7
<b>Adjusted EBITDA</b>	<b>259</b>	<b>294</b>	<b>234</b>	<b>210</b>	<b>260</b>	<b>299</b>	<b>340</b>	<b>360</b>
Sale of European differentiated surfactants business <sup>(2)</sup>	(7)	(8)	(7)	(6)	-	-	-	-
<b>Proforma adjusted EBITDA</b>	<b>\$ 252</b>	<b>\$ 286</b>	<b>\$ 227</b>	<b>\$ 204</b>	<b>\$ 260</b>	<b>\$ 299</b>	<b>\$ 340</b>	<b>\$ 360</b>

	2012	2013	2014	2015	2016	2017	1Q18 LTM
<b>Net Income</b>	\$ 373	\$ 149	\$ 345	\$ 126	\$ 357	\$ 741	\$ 999
Net income attributable to noncontrolling interests	(10)	(21)	(22)	(33)	(31)	(105)	(165)
<b>Net income attributable to Huntsman Corporation</b>	\$ 363	\$ 128	\$ 323	\$ 93	\$ 326	\$ 636	\$ 834
Interest expense, net	226	190	205	205	203	165	144
Income tax (benefit) expense	104	109	59	60	109	64	98
Depreciation and amortization	350	364	358	298	318	319	325
Interest, income taxes, depreciation and amortization in discontinued operations	144	98	77	85	89	154	150
Acquisition and integration expenses, purchase accounting adjustments	5	11	7	9	12	19	17
(Gain) loss on initial consolidation of subsidiaries	4	-	-	-	-	-	-
EBITDA from discontinued operations	(350)	(78)	63	217	(81)	(312)	(429)
Noncontrolling interest of discontinued operations	-	-	1	7	11	49	101
U.S. tax reform impact on Noncontrolling interest	-	-	-	-	-	(6)	(6)
(Gain) loss on disposition of businesses/assets	-	-	(2)	1	(97)	(9)	(9)
Loss on early extinguishment of debt	80	51	28	31	3	54	54
Extraordinary (gain) loss on the acquisition of a business	(2)	-	-	-	-	-	-
Certain legal and other settlements and related (income) expenses	2	4	-	1	1	(11)	(4)
Plant incident remediation costs	-	-	-	-	-	16	16
Purchase accounting inventory adjustments	-	1	2	-	-	-	-
Expenses associated with merger	-	-	-	-	-	28	28
Amortization of pension and postretirement actuarial losses	33	64	41	66	55	73	71
Restructuring, impairment, plant closing and transition costs	105	160	102	87	48	20	14
<b>Adjusted EBITDA</b>	<b>1,064</b>	<b>1,102</b>	<b>1,264</b>	<b>1,160</b>	<b>997</b>	<b>1,259</b>	<b>1,404</b>
Acquisition of PU Systems house from Rockwood <sup>(1)</sup>	5	6	7	-	-	-	-
Sale of European differentiated surfactants business <sup>(2)</sup>	(13)	(10)	(8)	(21)	(28)	-	-
<b>Proforma adjusted EBITDA</b>	<b>\$ 1,056</b>	<b>\$ 1,098</b>	<b>\$ 1,263</b>	<b>\$ 1,139</b>	<b>\$ 969</b>	<b>\$ 1,259</b>	<b>\$ 1,404</b>

(1) Pro forma adjusted to include the Polyurethanes system house acquired from Rockwood in October 2014.  
(2) Pro forma adjusted for the sale of the European Surfactants business on December 30, 2016.

# Revenue, Adjusted EBITDA & Margin by Segment

(\$ in millions)

Revenue	Pro Forma(2)(3) 1Q16	Pro Forma(2)(3) 2Q16	Pro Forma(2)(3) 3Q16	Pro Forma(2)(3) 4Q16	Pro Forma(2) 1Q17	Pro Forma(2) 2Q17	3Q17	4Q17	1Q18
Polyurethanes	\$ 836	\$ 976	\$ 891	\$ 964	\$ 953	\$ 1,022	\$ 1,197	\$ 1,227	\$ 1,222
Performance Products	475	507	451	452	533	561	501	514	603
Advanced Materials	266	261	247	246	259	260	263	258	279
Textile Effects	185	198	184	184	188	205	193	190	200
Corporate, LIFO and other	(8)	(33)	-	(5)	(1)	6	15	14	(9)
Total	\$ 1,754	\$ 1,909	\$ 1,773	\$ 1,841	\$ 1,932	\$ 2,054	\$ 2,169	\$ 2,203	\$ 2,295

## Revenue

	Pro Forma(2)(3) 2012	Pro Forma(2)(3) 2013	Pro Forma(2)(3) 2014	Pro Forma(2)(3) 2015	Pro Forma(2)(3) 2016	Pro Forma(2) 2017	Pro Forma(2) 1Q18 LTM
Polyurethanes	\$ 4,915	\$ 4,991	\$ 5,053	\$ 3,811	\$ 3,667	\$ 4,399	\$ 4,668
Performance Products	2,574	2,566	2,695	2,251	1,885	2,109	2,179
Advanced Materials	1,325	1,267	1,248	1,103	1,020	1,040	1,060
Textile Effects	752	811	896	804	751	776	788
Corporate, LIFO and other	(285)	(251)	(219)	(80)	(46)	34	26
Total	\$ 9,281	\$ 9,384	\$ 9,673	\$ 7,889	\$ 7,277	\$ 8,358	\$ 8,721

(\$ in millions)

## Adjusted EBITDA<sup>(1)</sup>

	Pro Forma(2)(3) 1Q16	Pro Forma(2)(3) 2Q16	Pro Forma(2)(3) 3Q16	Pro Forma(2)(3) 4Q16	Pro Forma(2) 1Q17	Pro Forma(2) 2Q17	3Q17	4Q17	1Q18
Polyurethanes	\$ 131	\$ 171	\$ 137	\$ 130	\$ 144	\$ 167	\$ 245	\$ 294	\$ 261
Performance Products	85	78	63	62	84	102	63	47	102
Advanced Materials	60	58	55	50	54	56	56	53	59
Textile Effects	18	24	17	14	21	24	19	19	26
Corporate, LIFO and other	(42)	(45)	(45)	(52)	(43)	(50)	(43)	(53)	(43)
Total	\$ 252	\$ 286	\$ 227	\$ 204	\$ 260	\$ 299	\$ 340	\$ 360	\$ 405

## Adjusted EBITDA<sup>(1)</sup>

	Pro Forma(2)(3) 2012	Pro Forma(2)(3) 2013	Pro Forma(2)(3) 2014	Pro Forma(2)(3) 2015	Pro Forma(2)(3) 2016	Pro Forma(2) 2017	Pro Forma(2) 1Q18 LTM
Polyurethanes	\$ 793	\$ 746	\$ 728	\$ 573	\$ 569	\$ 850	\$ 967
Performance Products	356	393	465	439	288	296	314
Advanced Materials	98	131	199	220	223	219	224
Textile Effects	(20)	16	58	63	73	83	88
Corporate, LIFO and other	(171)	(188)	(187)	(156)	(184)	(189)	(189)
Total	\$ 1,056	\$ 1,098	\$ 1,263	\$ 1,139	\$ 969	\$ 1,259	\$ 1,404

## Adj. EBITDA Margin

	Pro Forma(2)(3) 1Q16	Pro Forma(2)(3) 2Q16	Pro Forma(2)(3) 3Q16	Pro Forma(2)(3) 4Q16	Pro Forma(2) 1Q17	Pro Forma(2) 2Q17	3Q17	4Q17	1Q18
Polyurethanes	16%	18%	15%	13%	15%	16%	20%	24%	21%
Performance Products	18%	15%	14%	14%	16%	18%	13%	9%	17%
Advanced Materials	23%	22%	22%	20%	21%	22%	21%	21%	21%
Textile Effects	10%	12%	9%	8%	11%	12%	10%	10%	13%
Total	14%	15%	13%	11%	13%	15%	16%	16%	18%

## Adj. EBITDA Margin

	Pro Forma(2)(3) 2012	Pro Forma(2)(3) 2013	Pro Forma(2)(3) 2014	Pro Forma(2)(3) 2015	Pro Forma(2)(3) 2016	Pro Forma(2) 2017	Pro Forma(2) 1Q18 LTM
Polyurethanes	16%	15%	14%	15%	16%	19%	21%
Performance Products	14%	15%	17%	20%	15%	14%	14%
Advanced Materials	7%	10%	16%	20%	22%	21%	21%
Textile Effects	-3%	2%	6%	8%	10%	11%	11%
Total	11%	12%	13%	14%	13%	15%	16%

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**HUNTSMAN**